THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

NOTHING IN THIS CIRCULAR CONSTITUTES OR FORMS PART OF ANY OFFER FOR SALE OR SOLICITATION OF ANY OFFER TO BUY OR SUBSCRIBE FOR ANY SECURITIES OF SIBANYE GOLD LIMITED, NOR SHALL IT OR ANY PART OF IT FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER.

The definitions and interpretations set out on pages 6 to 13 of this Circular apply, *mutatis mutandis*, to this whole Circular.

If you are in any doubt as to what action you should take in relation to this Circular, please consult your CSDP, broker, banker, accountant, attorney or other professional adviser immediately.

Action required

In respect of the General Meeting

1. If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the CSDP, broker or other agent through whom such disposal was effected.
2. The General Meeting will be convened at Sibanye Gold Academy, Rietkloof 349, Glenharvie, 1786, South Africa at 09:00 on Monday, 18 January 2016 in order for Sibanye Shareholders to vote on the Special Resolution and the Ordinary Resolutions.
3. Sibanye Shareholders who have not Dematerialised their Shares or who have Dematerialised their Shares with "own name" registration, and who are entitled to attend, participate in and vote at the General Meeting, are entitled to appoint a proxy to attend, speak and vote in their stead. A proxy need not be a Sibanye Shareholder and shall be entitled to vote on a show of hands or poll. It is requested that proxy forms be forwarded so as to reach the Transfer Secretaries in South Africa or the United Kingdom by no later than 48 (forty-eight) hours before the commencement of the General Meeting. If Sibanye Shareholders who have not Dematerialised their Shares or who have Dematerialised their Shares with "own name" registration, and who are entitled to attend, participate in and vote at the General Meeting do not deliver proxy forms to the Transfer Secretaries in South Africa or the United Kingdom by the relevant time, such Sibanye Shareholders will nevertheless be entitled to lodge the form of proxy in respect of the General Meeting immediately prior to the General Meeting, in accordance with the instructions therein, with the chairman of the General Meeting.
4. The General Meeting can be accessed by Sibanye Shareholders via electronic participation as set out in the notice of General Meeting.
5. If you are a Dematerialised Shareholder other than with own-name registration, then your CSDP or broker, as the case may be, should contact you to ascertain how you wish to cast your vote at the General Meeting, and thereafter cast your vote in accordance with your instructions. This should be done in terms of the agreement entered into between you, as a Dematerialised Shareholder, and the CSDP or broker. If you, as a Dematerialised Shareholder, have not been contacted by your CSDP or broker, it would be advisable for you to contact your CSDP or broker, as the case may be, as soon as possible and furnish them with your instructions.
6. If you are a Dematerialised Shareholder other than with own-name registration and wish to attend the General Meeting, you should timeously inform your CSDP or broker, as the case may be, of your intention to attend and vote at the General Meeting or to be represented by proxy thereat in order for your CSDP or broker to issue you with the necessary letter of representation to do so or you should provide your CSDP or broker timeously with your voting instructions should you not wish to attend the General Meeting in person or via electronic participation, in order for your nominee to vote in accordance with your instructions at the General Meeting.

SibanyeGOLD

Sibanye Gold Limited

(Registration number. 2002/031431/06)
Share code: SGL ISIN: ZAE000173951
("**Sibanye**" or the "**Company**")

CIRCULAR TO SIBANYE SHAREHOLDERS

Regarding:

- **approval for the allotment and issue of Sibanye Shares, including in particular but not limited to the Consideration Shares as required by and in terms of section 41(3) of the Companies Act;**
- **approval of the Transaction as a Category 1 transaction, as required by and in terms of the JSE Listings Requirements.**
- **specific approval and authority granted to the Board to allot and issue from the current and/or any future authorised but unissued Sibanye Shares (i) the Consideration Shares to RPM and/or (ii) Sibanye Shares to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof,**

and incorporating:

- **a notice of General Meeting; and**
- **a form of proxy (to be completed by Certificated Sibanye Shareholders and own-name Dematerialised Shareholders only).**

Corporate Advisor

Qinisele Resources

Corporate Finance • Investor Relations • Research

Financial Advisor to Sibanye

HSBC

Sponsor to Sibanye

J.P.Morgan

Legal Advisors

South Africa

ENSAFRICA

United States

Linklaters

Sibanye Reporting Accountants

KPMG

cutting through complexity

Date of issue: 15 December 2015

This Circular is available in English only and copies thereof may be obtained during normal business hours from the registered office of Sibanye and the Sponsor at the addresses set out in the "Corporate Information" section of this Circular. The Circular will also be available on the Sibanye website (www.sibanyegold.co.za) as from the date of posting hereof until the date of the General Meeting.

This Circular is for information purposes only and does not constitute or form part of an offer to sell or the solicitation of an offer to buy or subscribe to any securities of Sibanye. The securities referred to herein have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States except pursuant to registration under, or an exemption from the registration requirements of, the Securities Act. There will be no public offering of securities in the United States or any other jurisdiction.

None of the securities noted herein have been approved or disapproved by the SEC, any state securities commission in the United States or any regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the transactions noted herein, or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

CERTAIN FORWARD-LOOKING STATEMENTS

Certain statements included in this Circular (including the expected cash flow, production and cash cost information), as well as oral statements that may be made by Sibanye, or by officers, directors or employees acting on its behalf related to the subject matter hereof, constitute or are based on forward-looking statements. Forward-looking statements are preceded by, followed by or include the words "may", "will", "should", "expect", "envisage", "intend", "plan", "project", "estimate", "anticipate", "believe", "hope", "can", "is designed to" or similar phrases. These forward-looking statements involve a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and generally beyond the control of Sibanye, that could cause Sibanye's actual results and outcomes to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include, among others, completion of the transaction and Sibanye's ability to complete the transaction, Sibanye's ability to successfully integrate the acquired assets with its existing operations, Sibanye's ability to achieve anticipated efficiencies and other cost savings in connection with the transaction, Sibanye's ability to increase gold production and commence PGM production, the success of exploration and development activities and other risks. For further information about the risks, uncertainties and other factors that may cause the actual results and performance of Sibanye to differ from those noted in any forward-looking statements, please review Sibanye's latest Integrated Annual Report or Annual Report on Form 20-F filed with the SEC. Sibanye 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 Circular or to reflect any change in Sibanye's expectations with regard thereto.

HSBC's advisory capacity

HSBC Bank plc – Johannesburg Branch, which is authorised and regulated by the South African Reserve Bank, is acting exclusively for Sibanye and for no one else in connection with the matters described in this Circular and is not, and will not be, responsible to anyone other than Sibanye for providing the protections afforded to its clients nor for providing advice in connection with the matters set out in this Circular.

CORPORATE INFORMATION

Directors
Chairman, M Sello Moloko #
Chief Executive Officer, Neal J Froneman #
Chief Financial Officer, Charl Keyter #
Non-Executive Directors
Timothy J Cumming *#
Barry E Davison *#
Richard P Menell *#
Nkosemntu G Nika *#
Keith A Rayner *#
Susan C van der Merwe *#
Jerry S Vilakazi *#
Christopher D Chadwick *#
Robert TL Chan +
Jiyu Yuan #

* Independent
\# South African
\+ Chinese

Investor Enquiries
James Wellsted
Senior Vice President: Investor Relations
Sibanye Gold Limited
Tel: +27 83 453 4014
+27 11 278 9656
Email: james.wellsted@sibanyegold.co.za

Company Secretary
Cain Farrel
Tel: +27 10 001 1122
Fax: +27 11 278 9863
Email: cain.farrel@sibanyegold.co.za

Registered Office
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1 Hospital Street (off Cedar Avenue)
Libanon
Westonaria
1780
South Africa
(Private Bag X5, Westonaria, 1780, South Africa)
Tel: +27 11 278 9600
Fax: +27 11 278 9863

Sibanye
Incorporated in the Republic of South Africa
(Registration number 2002/031431/06)
Share code: SGL
Issuer code: SGL
ISIN: ZAEE000173951
Date of Incorporation:12 December 2002

Listings
JSE: SGL
NYSE: SBGL
Website
www.sibanyegold.co.za

Transfer Secretaries – South Africa
Computershare Investor Services
Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg
2001
South Africa
(PO Box 61051, Marshalltown, 2107, South Africa)
Tel: +27 11 370 5000
Fax: +27 11 688 5248

Transfer Secretaries – United Kingdom
Capita Asset Services
The Registry
(Registration number 02605568)
34 Beckenham Road
Beckenham
Kent
BR3 4TU
England
Tel: 0871 664 0300 (all cost 10p a minute
plus network extras, lines are open 08:30 – 17:00
Mon – Fri) or (from overseas)
+44 20 8639 3399
Fax: +44 20 8658 3430
E-mail: ssd@capitaregistrars.com

SA Attorneys
Edward Nathan Sonnenbergs Incorporated
(Registration number 2006/018200/21)
1 North Wharf Square
Cape Town
8001
South Africa
(PO Box 2293, Cape Town, 8000, South Africa)

US Attorneys
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(Registration number 06326345)
One Silk Street
London
EC2Y 8HQ
United Kingdom

Office of the United Kingdom Secretaries
St James's Corporate Services Limited
(Registration number 3566623)
Suite 31, Second Floor
107 Cheapside
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EC2V 6DN
United Kingdom
Tel: +44 (0) 7796 864
Fax: +44 (0) 20 7796 8645

Financial Advisor to Sibanye
HSBC Bank plc – Johannesburg Branch
(Registration number 2003/004613/10)
2 Exchange Square
85 Maude Street
Sandton
2146
South Africa
(Private Bag X785434, Sandton, 2146, South Africa)

Corporate Advisor
Qinisele Resources Proprietary Limited
(Registration number 1997/022049/07)
13th Floor, The Forum
No 2 Maude Street
Sandton
South Africa

JSE Sponsor
J.P. Morgan Equities South Africa Proprietary Limited
(Registration number 1995/011815/07)
1 Fricker Road
Illovo
Johannesburg
2196
South Africa
(Private Bag X9936, Sandton, 2196, South Africa)

American Depositary Receipts Transfer Agent
Bank of New York Mellon
BNY Mellon Shareowner Services
PO Box 30170
College Station
TX 77842-3170

US toll-free telephone: +1 888 269 2377
Tel: +1 201 680 6825
Email: shrrelations@bnymellon.com

Sibanye's independent reporting accountants

KPMG Inc.
KPMG Crescent
85 Empire Road
Parktown, 2193
Johannesburg
South Africa
Tel: +27 11 647 7111
Fax: +27 11 647 8000

RPM's independent reporting accountants
Deloitte & Touche
Buildings 1 and 2
Deloitte Place
The Woodlands
Woodlands Drive
Woodmead, Sandton
Tel: +27 11 806 5000
Fax: +27 11 806 5111

RPM
Incorporated in the Republic of South Africa
(Registration number 1931/003380/06)
Date of incorporation: 11 September 1931

Registered Office of RPM
55 Marshall Street
Marshalltown
Johannesburg
2001

TABLE OF CONTENTS

IMPORTANT DATES AND TIMES

The definitions and interpretations set out on pages 6 to 13 of this Circular apply, *mutatis mutandis,* to this section.

Salient dates and times in relation to the Special Resolution and the Ordinary Resolutions	
Record date to determine which Sibanye Shareholders are entitled to receive the Circular	Friday, 4 December 2015
Last day to trade in order to be eligible to vote at the General Meeting	Thursday, 31 December 2015
Record date in order to be eligible to vote at the General Meeting	Friday, 8 January 2016
Last day to lodge an instruction requesting to participate at the General Meeting via electronic participation by 09:00	Friday, 8 January 2016
Last day to lodge forms of proxy in respect of the General Meeting by 09:00	Thursday, 14 January 2016
General Meeting of Sibanye Shareholders at 09:00	Monday, 18 January 2016
Results of General Meeting released on SENS	Monday, 18 January 2016
Results of General Meeting published in the South African press	Tuesday, 19 January 2016

Note:

(1) All dates and times are South African dates and times.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates a contrary intention, the words in the first column shall have the meanings assigned to them in the second column; the singular includes the plural and *vice versa*; an expression which denotes one gender includes the other gender; a natural person includes a juristic person and *vice versa* and cognate expressions shall bear corresponding meanings:

"4E PGM"	means platinum, palladium, rhodium and gold;
"AAP"	means Anglo American Platinum Limited (Registration number 1946/022452/06), a public company duly registered and incorporated under the laws of South Africa;
"Act" or "Companies Act"	means the Companies Act, 71 of 2008, as amended from time to time;
"ADR"	means American depositary receipt being a certificate evidencing a specific number of ADSs;
"ADSs"	means American depositary shares, each of which represents four Sibanye Shares;
"Aquarius Platinum"	means Aquarius Platinum (South Africa) Proprietary Limited;
"Assumed Liabilities"	has the meaning given to such term in the SPA, in broad commercial terms being all liabilities of RPM in relation to, associated with, arising out of or in respect of the Rustenburg Operations or any part thereof (including any Sale Asset) as at the Effective Date, including (*inter alia*) liabilities under transferring contracts, liabilities in respect of creditors, liabilities under or relating to the Mining Right and the Prospecting Right, rehabilitation liabilities and environmental claims), but excluding certain specified liabilities of RPM (*inter alia*, for tax arising or accrued, in respect of any period prior to the Effective Date);
"Bakgatla"	means the Bakgatla-Ba-Kgafela Traditional Community, comprised of approximately 350 000 members and resident in the North West province under the leadership of Kgosi Nyalala Pilane;
"Bakgatla-Ba-Kgafela Investment Holdings"	means Bakgatla-Ba-Kgafela Investment Holdings Proprietary Limited (Registration number 2013/103761/07), a private company duly registered and incorporated under the laws of South Africa;
"Base Case Plan"	has the meaning given to such term in the SPA. In terms of the SPA, RPM is entitled, within a defined period after completion of a bankable feasibility study on the UG2 projects at Khuseleka, Thembelani and Siphumelele shafts (which has occurred), to amend the Base Case Plan (and accordingly also (i) the stipulated levels of bargaining unit employees (Patterson D1 and below) and total package employees (Patterson D2 and above) referred to in paragraph 4.1 of this Circular and (ii) the production, milling, capital expenditure and on-mine cash cost thresholds referred to in paragraphs 4.1 and 4.7 of this Circular), such that it aligns with (and with the outcomes and findings of) such bankable feasibility study, provided that, viewed in aggregate, the NPV of the Base Case Plan, as amended in line with this, will not be more than 5% lower than the NPV of the Base Case Plan prior to such amendment (the SPA contains further provisions regarding the calculation of these NPVs);
"BBBEE"	means broad-based black economic empowerment;
"BBBEE Co. SPV"	means the BBBEE special purpose vehicle, to be incorporated, the shareholding of which will be as follows: Rustenburg Mine Employee Trust – 38.46% Rustenburg Mine Community Development Trust – 30.77% Bakgatla-Ba-Kgafela Investment Holdings – 30.77%;

"BBBEE Purchase Consideration"	means R2 927 million;
"BBBEE Stakeholders"	means the following BBBEE: Rustenburg Mine Community Development Trust, Rustenburg Mine Employee Trust and Bakgatla-Ba-Kgafela Investment Holdings;
"BBBEE Transaction"	means the BBBEE empowering of Sibanye Rustenburg Platinum Mines, whereby a 26% equity stake will be held by the BBBEE Co. SPV;
"BNYM"	means the Bank of New York Mellon, a New York Banking corporation, which acts as depositary for Sibanye's ADR programme;
"Board" or "Directors"	means the board of directors of Sibanye from time to time (as at the date of this Circular, being as set out in the Corporate Information section in this Circular); and "Director" shall mean any one of the directors of Sibanye, as the context may require;
"Business Day"	means a day other than (i) a Saturday or Sunday, or (ii) a gazetted public holiday in South Africa;
"Capex"	has the meaning given to such term in the SPA, in broad commercial terms, being gross capital expenditures incurred less, *inter alia*, certain capital expenditure in respect of new capital projects and gross receipts and receivables for the sale, lease, disposal or other transfer of any assets of or arising from the Sold Business (subject to arm's length fair market value minima);
"CEO"	means chief executive officer;
"Certificated Share"	means a Sibanye Share represented by a share certificate or other physical document of title, which has not been surrendered for Dematerialisation in terms of the requirements of Strate and which may no longer be traded on the JSE;
"Certificated Sibanye Shareholder"	means a Sibanye Shareholder who holds Certificated Shares;
"CFO"	means chief financial officer;
"Circular"	means this circular dated 15 December 2015, including the notice of General Meeting and the form of proxy attached hereto;
"Company Secretary"	means the Company Secretary of Sibanye from time to time (as at the date of this Circular, being as set out in the Corporate Information section of this Circular);
"Concentrate Agreement"	means the Sale and Toll Treatment of Concentrate Agreement between RPM and Sibanye Rustenburg Platinum Mines, signed on 8 September 2015;
"Concentrate Period"	means the period commencing on the first day of the calendar month in which the Effective Date falls and ending at 05:59.59 on 1 January 2019;
"Consideration Shares"	means Sibanye Shares allotted and issued to RPM in terms of the SPA, in broad commercial terms being, to the extent that the Upfront Purchase Price, the Outstanding Minimum Amount and/or the Final Outstanding Minimum Amount are not discharged in cash in accordance with the SPA, such number of Sibanye Shares listed on the JSE and each ranking, *pari passu,* with all other issued Sibanye Shares, as is required to discharge the undischarged (i) Upfront Purchase Price; and (ii) the Outstanding Minimum Amount and/or (iii) the Final Outstanding Minimum Amount (as the case may be) in accordance with the SPA;
"CSDP"	means a person authorised by a licensed central securities depository to perform custody and administration services or settlement services or both in terms of the central securities depository rules published in terms of the Financial Markets Act, and includes an external participant, where appropriate, as contemplated in the Financial Markets Act;

"Deferred Purchase Price"	has the meaning given to such term in the SPA, in broad commercial terms being the deferred purchase price payments (equal to 35% of Distributable Free Cash Flow) and (i) the Outstanding Minimum Amount or (ii) the Final Outstanding Minimum Amount which RPM is entitled to receive in terms of the SPA, as detailed further in this Circular and the SPA;
"Deferred Purchase Price Measurement Periods"	means periods aligning with the start and end of the Purchaser's financial year, except for (i) the first Deferred Purchase Price Measurement Period which will commence at the start of the Start Date; and (ii) the last Deferred Purchase Price Measurement Period which will end at the end of the Initial Period (if the Purchaser does not elect to extend the Initial Period) or at the end of the Extended Period (if the Purchaser elects to extend the Initial Period);
"Dematerialise"	means the process whereby physical share certificates are replaced with electronic records evidencing ownership of shares for the purpose of Strate, as contemplated in the Financial Markets Act;
"Dematerialised Shares"	means Sibanye Shares that have been Dematerialised in accordance with the rules of Strate, evidencing ownership of shareholding in electronic format, which Shares may be traded on the JSE;
"Dematerialised Shareholder"	means a Sibanye Shareholder who holds Dematerialised Shares;
"Distributable Free Cash Flow"	has the meaning given to such term in the SPA, in broad commercial terms being EBITDA less Capex less tax payments less royalties (levied in terms of the MPRDA and the Mineral and Petroleum Resources Royalty Act, 28 of 2008, as amended from time to time), in each case in relation to the Sold Business;
"EBITDA"	has the meaning given to such term in the SPA in broad commercial terms being, the consolidated profit or loss in respect of the Sold Business, excluding certain items being, *inter alia,* excess allocated overhead and central costs, corporate income taxes and deferred tax, mineral royalty related payments, distributions (including dividends, intra-group management fees and intra-group interest and principal payments and repayments), certain exceptional and extraordinary items, any profits or gains or costs or losses arising from any activity which is not normally carried on by, or which is outside the ordinary course of business of the Sold Business and any profits or gains or costs or losses on the acquisition or disposal of any company or assets or business;
"Effective Date"	has the meaning given to such term in the SPA, in terms of which, if the SPA becomes unconditional: (i) before the 20th day of a calendar month, the Effective Date will be the 1st Business Day of the immediately following calendar month; or (ii) on or after the 20th day of a calendar month, the Effective Date will be the 1st Business Day of the second immediately following calendar month, or such other date as RPM and the Purchaser may agree to in writing from time to time;
"electronic notice"	means written notice by Sibanye Shareholders to the Company at Libanon Business Park, 1 Hospital Street (Off Cedar Avenue), Libanon, Westonaria, 1780, South Africa (marked for the attention of the Company Secretary), by no later than 09:00 on Friday, 8 January 2016 stating that they wish to participate in the General Meeting via electronic communication;
"EPS"	means earnings per share;
"Extended Period"	means, if the Purchaser has elected to extend the Initial Period, a further period ending on the earlier of (i) the eight-year period commencing on the Start Date; and (ii) the date on which the aggregate Deferred Purchase Price payments received by RPM since the start of the Extended Period total the Outstanding Minimum Amount;

"Facility"	means a vendor financed facility from Sibanye Platinum;
"Financial Markets Act"	means the Financial Markets Act, 19 of 2012, as amended from time to time;
"Final Outstanding Minimum Amount"	means, if, after the end of the last Deferred Purchase Price Measurement Period falling in the Extended Period, the aggregate Deferred Purchase Price payments received by RPM still total less than R3 billion, the amount which represents the difference between R3 billion and such aggregate Deferred Purchase Price payments received by RPM;
"FVTPL"	means at fair value through profit and loss;
"General Meeting"	means the General Meeting convened in terms of the attached notice of General Meeting, at Sibanye Gold Academy, Rietkloof 349, Glenharvie, 1786, South Africa at 09:00 on Monday, 18 January 2016, in order for Sibanye Shareholders to vote on the Special Resolution and the Ordinary Resolutions set out in the attached notice of General Meeting;
"Group" or "Sibanye Group"	means Sibanye and its direct and indirect subsidiaries (as further defined in the JSE Listings Requirements), from time to time;
"HEPS"	means headline earnings per share;
"IFRS"	means International Financial Reporting Standards;
"Initial Period"	means the six-year period commencing on the Start Date;
"JSE"	means JSE Limited (Registration number 2005/022939/06), a public company trading as the "Johannesburg Stock Exchange", duly registered and incorporated under the laws of South Africa and licensed as a securities exchange under the Financial Markets Act;
"JSE Listings Requirements"	means the listings requirements of the JSE;
"Last Practicable Date"	means 4 December 2015, being the last practicable date prior to finalisation of this Circular;
"Mining Charter"	means the Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (together with the Mining Charter scorecard) published under Government Notice 838 under Government Gazette No. 33573 of 20 September 2010 as amended from time to time;
"Mining Codes of Good Practice"	means the Codes of Good Practice for the Minerals Industry, published under Government Notice 446 in Government Gazette 32167 of 29 April 2009 as amended from time to time;
"Mining Right"	has the meaning given to such term in the SPA, in broad commercial terms, being the consolidated mining right arising from the Sale Consolidation;
"MPRDA"	means the Mineral and Petroleum Resources Development Act, 28 of 2002, as amended from time to time;
"MPTRO"	means the Mineral and Petroleum Titles Registration Office;
"NAV"	means net asset value;
"NPV"	means net present value;
"NYSE"	means the New York Stock Exchange (an Intercontinental Exchange Company);
"Outstanding Minimum Amount"	means, if, after the end of the second last Measurement Period falling in the Initial Period, the aggregate Deferred Purchase Price payments received by RPM total (for any reason whatsoever) less than R3 billion, the difference between R3 billion and such aggregate Deferred Purchase Price payments received and due to be received by RPM;

"own-name Dematerialised Shareholders"	means Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-register of Dematerialised Shareholders;
"Ordinary Resolutions"	means the ordinary resolutions set out in the notice of General Meeting attached to and forming part of this Circular;
"Parent Company Guarantee"	means the Guarantee Agreement between Sibanye and RPM, signed on 8 September 2015;
"PGM"	means platinum, palladium, rhodium, ruthenium and iridium and the metals and minerals mineralogically associated therewith, including gold, copper, nickel and cobalt, together with any such metals and minerals which may be extracted from the normal mining of the first mentioned minerals;
"Platmed"	means Platmed Proprietary Limited (Registration number 1996/016428/07), a private company duly registered and incorporated under the laws of South Africa and a wholly owned subsidiary of AAP and RPM;
"PPR Start Date"	means the first day of the calendar month in which the Effective Date falls;
"PPR End Date"	means the end of 31 December 2018;
"Prospecting Right"	means the prospecting right with reference NW 1263 PR, converted under Item 6 Schedule II of the MPRDA, held by RPM;
"PSA Business"	means the Kroondal and Marikana pooling and sharing arrangements, which RPM has entered into with Aquarius Platinum, and all related arrangements and businesses conducted pursuant to such arrangements;
"PSA Consolidation"	means the application lodged by RPM on 2 June 2015 under section 102 of the MPRDA to amend and consolidate certain mining areas under certain mining rights which are subject to the PSA Business, together with consequential amendments to the relevant mining work programmes;
"Purchase Price"	has the meaning given to such term in the SPA, in broad commercial terms being the aggregate purchase price payable for the Rustenburg Operations comprised of the Upfront Purchase Price and the Deferred Purchase Price, and as adjusted downwards by certain agreed adjustments as detailed further in this Circular and the SPA. The Purchase Price shall at all times be subject to a total cap of R20 billion;
"Purchase Price Reduction Measurement Periods"	means periods aligning with the start and end of the Purchaser's financial year, except for (i) the first Purchase Price Reduction Measurement Period which will commence at the start of the PPR Start Date; and (ii) the last Purchase Price Reduction Measurement Period which will end on the PPR End Date;
"Purchaser"	means Sibanye Rustenburg Platinum Mines;
"Reduction Amount"	means, for each Purchase Price Reduction Measurement Period, R267 million (*pro-rated* for the number of complete calendar months in the relevant Purchase Price Reduction Measurement Period, if less than 12) and for each Purchase Price Reduction Measurement Period excluding only the first, an amount equal to the aggregate Reduction Amounts of all prior Purchase Price Reduction Measurement Period/s, to the extent that such Reduction Amounts have not been fully paid by RPM to the Purchaser in accordance with the SPA, will be added;
"Register"	means the register of Certificated Sibanye Shareholders maintained by the Transfer Secretaries on behalf of the Company and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
"Reporting Period"	means the six months ended 30 June 2015, and years ended 31 December 2014, 2013 and 2012;

"Rustenburg Mine Community Development Trust"	means Rustenburg Mine Community Development Trust, a trust to be registered with Master of the High Court;
"Rustenburg Mine Employee Trust"	means Rustenburg Mine Employee Trust, a trust to be registered with Master of the High Court;
"RPM"	means Rustenburg Platinum Mines Limited (Registration number 1931/003380/06), a public company duly registered and incorporated under the laws of South Africa and a wholly owned subsidiary of AAP with principal place of business at 55 Marshall Street, Marshalltown, Johannesburg;
"Rustenburg Operations"	has the meaning given to such term 'Business' as defined in the SPA, in broad commercial terms being the going concern exploration, development, mining, concentrating and tailings reprocessing business and activities related thereto conducted by RPM (including at the Bathopele, Siphumelele (including Khomanani) and Thembelani (including Khuseleka) mining operations, the "Old Central Deep" mine shaft, two concentrating plants, an on-site chrome recovery plant, the WLTR plant, associated surface infrastructure and related employees, assets and liabilities), as part of the Rustenburg Section and as at the Effective Date, in respect of which RPM sells and transfers to the Purchaser (in accordance with the SPA) the (i) Sale Assets; and (ii) Assumed Liabilities only. For the avoidance of doubt and without limitation, the Rustenburg Operations excludes all smelting and refining operations of RPM;
"Sale Assets"	has the meaning given to such term in the SPA, in broad commercial terms being certain Effective Date assets of the Rustenburg Operations, including (*inter alia*) cash, deposits and prepayments, certain transferring contracts (which relate exclusively to the Rustenburg Operations, and not including any contracts entered into by RPM which relate partially to the Rustenburg Operations and partially to other business operation/s of RPM), the water use licence relevant to the Rustenburg Operations, mining and prospecting information, the Mining Right, the Prospecting Right, certain prospecting right applications, certain immovable properties (some of which are farms located on the mine area and some of which are residential properties located in Rustenburg town), certain motor vehicles, concentrate arising from the Rustenburg Operations in the four calendar months preceding the first day of the calendar month in which the Effective Date falls), the surface lease with the Royal Bafokeng Nation (if this has been entered into before the Effective Date), certain stores and consumables, debtors, tailings assets, certain railway assets, transferable permits (subject to obtaining any required consents and permissions), certain transferable surface rights permits, certain plant and equipment; and certain other movable, corporeal assets owned by RPM, but excluding certain identified excluded assets (*inter alia*, all intellectual property rights and assets of RPM, certain claims of RPM in respect of certain matters and certain specified movable assets, plant and equipment);
"Sale Consolidation"	means the application lodged by RPM on 2 June 2015 under section 102 of the MPRDA to amend and consolidate certain mining areas under certain mining rights which are not subject to the PSA Business (but which do relate to the Rustenburg Operations), together with consequential amendments to the relevant mining work programmes;
"SEC"	means the US Securities and Exchange Commission;
"Securities Act"	means the United States Securities Act of 1933, as amended from time to time;
"SENS"	means the Stock Exchange News Service of the JSE;
"SGL Share Plan"	means the Sibanye 2013 Share Plan;
"Shares" or "Sibanye Shares"	means the ordinary no par value shares in the share capital of Sibanye;

"Sibanye" or the "Company"	means Sibanye Gold Limited (Registration number 2002/031431/06), a public company duly registered and incorporated under the laws of South Africa;
"Sibanye Platinum"	means Sibanye Platinum Proprietary Limited (Registration number 2014/243820/07), a private company duly registered and incorporated under the laws of South Africa and a wholly owned subsidiary of Sibanye;
"Sibanye Rustenburg Platinum Mines"	means Sibanye Rustenburg Platinum Mines Proprietary Limited (Registration number 2015/305479/07), a private company duly registered and incorporated under the laws of South Africa and, as at the date of this Circular, a subsidiary of Sibanye;
"Sibanye Shareholder"	means a registered holder of issued Sibanye Shares, as reflected in the Register;
"South Africa"	means the Republic of South Africa;
"SPA"	means the Sale and Purchase Agreement between Sibanye, Sibanye Rustenburg Platinum Mines and RPM, signed on 8 September 2015;
"Special Resolution"	means the special resolutions set out in the notice of General Meeting attached to and forming part of this Circular;
"Sponsor"	means Sibanye's sponsor appointed pursuant to the JSE Listings Requirements, being J.P. Morgan Equities South Africa Proprietary Limited (Registration number 1995/011815/07), a private company duly registered and incorporated under the laws of South Africa;
"Sold Business"	means the Rustenburg Operations and any business conducted after the Effective Date in relation to or arising from any of the Sale Assets (including without limitation (i) any mining operations undertaken in, on or under the Mining Right, the reprocessing of the tailings assets and, in due course, from any mining operations undertaken in, on or under any part of the area subject to the transferring prospecting right and/or the transferring prospecting right applications (to the extent that mining rights are granted in respect thereof); (ii) the sale of concentrate arising from or attributable to such mining operations; and (iii) the sale of refined product arising from or attributable to such mining operations);
"Start Date"	means the later of (i) 1 January 2017 and (ii) the first day of the calendar month in which the Effective Date falls;
"Strate"	means Strate Proprietary Limited (Registration number 1998/022242/07), a licensed central securities depository registered in terms of the Financial Markets Act;
"Toll Treatment Period"	means the period commencing at 06:00 on 1 January 2019 (immediately following completion of the Concentrate Period) and ending at 05:59 on 1 January 2027;
"TNAV"	means tangible net asset value;
"Transaction"	has the meaning given to the term "Sale Transaction" in the SPA, in broad commercial terms being the sale of the Sale Assets and the assumption of the Assumed Liabilities, in terms of the SPA;
"Transaction Agreements"	comprise the SPA, the Concentrate Agreement, the Use and Access Agreement and the Parent Company Guarantee;
"Transfer Secretaries"	means Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly registered and incorporated under the laws of South Africa and Capita Asset Services, a private company duly incorporated in the United Kingdom;
"United States"	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"Upfront Purchase Price"	Has the meaning given to such term in the SPA, in broad commercial terms being R1.5 billion plus estimated Effective Date cash of the Rustenburg Operations and less estimated Effective Date indebtedness of the Rustenburg Operations. The Upfront Purchase Price will be adjusted, as further detailed in this Circular and the SPA;
"Use and Access Agreement"	means the Use and Access Agreement between Sibanye Rustenburg Platinum Mines and RPM, signed on 8 September 2015;
"VAT"	means value added tax;
"VCP"	means vendor consideration placing as set out in the Listings Requirements;
"VWAP"	means volume weighted average price; and
"WLTR plant"	means Western Limb Tailings Retreatment plant.

Sibanye Gold Limited

(Registration number 2002/031431/06)
Share code: SGL ISIN: ZAE000173951
("**Sibanye**" or the "**Company**")

CIRCULAR TO SIBANYE SHAREHOLDERS

1. **INTRODUCTION**

Sibanye announced on SENS on 9 September 2015 that it had entered into the Transaction to acquire the Rustenburg Operations from RPM. Consistent with its transformation objectives, Sibanye will be concluding a BBBEE empowerment transaction in respect of Sibanye Rustenburg Platinum Mines, it being intended to include a consortium of BBBEE Stakeholders such that, at the Effective Date, Sibanye will through its subsidiary companies own 74% of the Rustenburg Operations, with the BBBEE stakeholders owning (through BBBEE Co. SPV) 26%.

The Transaction is a Category 1 transaction for Sibanye under the provisions of section 9 of the JSE Listings Requirements and is therefore subject to Sibanye Shareholders' approval as detailed in the notice of General Meeting.

The Purchase Price comprises (i) the Upfront Purchase Price and (ii) the Deferred Purchase Price, and is also subject to certain agreed downward adjustments, as detailed further in this Circular and the SPA.

2. **SIBANYE**

Geographically focused on South Africa, Sibanye currently owns and operates high-quality gold operations and projects throughout the Witwatersrand Basin. Sibanye is an independent, South African-domiciled mining group, which currently owns and operates four underground and surface gold operations – the Cooke, Driefontein and Kloof operations in the West Witwatersrand region, and the Beatrix operation in the southern Free State province. In addition to its mining activities, the Group owns and manages significant extraction and processing facilities at the operations where the gold-bearing ore is treated and processed before it is refined. The Group has a number of organic gold projects including the West Rand Tailings Retreatment Project on the Far West Rand and the Burnstone project on the South Rand of Gauteng province, as well as the Beisa North, Beisa South, Bloemhoek, De Bron-Merriespruit, Hakkies and Robijn projects in the Free State.

Sibanye is the largest individual producer of gold from South Africa and is one of the world's 10 largest gold producers. In 2014, the Group produced 49 432kg (2013: 44 474kg) or 1.59Moz (2013: 1.43Moz) of gold at an all-in cost of R375 854/kg (2013: R354 376/kg) or US$1,080/oz (2013: US$1,148/oz) and invested R3.3 billion (2013: R2.9 billion) in capital at its operations.

In 2014, Sibanye acquired the Cooke underground and surface operations from Gold One International Limited; concluded the acquisition of Witwatersrand Consolidated Gold Resources Limited, a JSE and Toronto Stock Exchange listed gold and uranium exploration company with significant gold resources in South Africa; and exercised the option held by Witwatersrand Consolidated Gold Resources Limited to acquire the Burnstone Gold Mine from the previous owner, Great Basin Gold Limited.

At December 2014, Sibanye held gold reserves of 28.4Moz (2013: 32.7Moz restated) and uranium reserves of 102.5Mlb (2013: 102.8Mlb restated) (refer to Sibanye annual report a copy of which can be found on the Sibanye website at www.sibanyegold.co.za).

Sibanye is listed on the JSE (primary listing) and has a secondary listing of its ADRs on the NYSE.

There has not been any controlling shareholder of Sibanye since its listing. On 29 October 2015, Sibanye issued a trading statement advising shareholders that HEPS and EPS for the 31 December 2015 financial year will be at least 20% lower than the previous financial year (a full transcript of the announcement can be found on the Sibanye website at www.sibanyegold.co.za)

Shareholders are further advised to refer to Sibanye's announcement on SENS of the proposed acquisition of Aquarius Platinum Limited on 6 October 2015 (a copy of which can be found on the Sibanye website at www.sibanyegold.co.za).

3. TRANSACTION RATIONALE

The Transaction is consistent with Sibanye's strategy to grow its business in order to enhance and sustain its position as an industry leading dividend paying company. The Transaction represents an entry for Sibanye into the PGM sector, securing over 800 000oz of annual 4E PGM production and a large, high-quality resource of 88.3Moz of 4E PGMs (refer to Annexure 6 for more detailed information) which offers the potential for substantial life-of-mine extensions and/or growth. Through the Transaction, Sibanye will become a leading global multi-commodity company predominantly active in the precious metals industry. Sibanye is the eighth largest gold producer globally and the largest gold producer from South African mines. The Transaction will result in it becoming the fifth largest global PGM producer.

Sibanye has for some time indicated its interest in participating in the PGM sector and believes that the Rustenburg Operations provide an attractively priced entry at an advantageous period in the metal price cycle. The Rustenburg Operations are similar in nature to Sibanye's current gold operations and, after extensive engagement with AAP and RPM and completing a thorough due diligence, Sibanye is confident that it will be able to realise value for its stakeholders by leveraging its successful operating model at the Rustenburg Operations. The Rustenburg Operations are also well positioned as a platform to grow regionally within the PGM sector and benefit from a recovery in PGM market conditions.

4. THE TRANSACTION

The Transaction Agreements comprise the SPA, the Concentrate Agreement, the Use and Access Agreement and the Parent Company Guarantee. These Transaction Agreements provide for, *inter alia*, the following:

4.1 Purchase Price

The Purchaser (i.e. Sibanye Rustenburg Platinum Mines) will acquire 100% of the Rustenburg Operations from RPM. The Purchase Price will be discharged via the Upfront Purchase Price and the Deferred Purchase Price and will be discharged on the terms set out below and in the SPA.

a. ***Upfront Purchase Price***
The Upfront Purchase Price is to be discharged on the Effective Date, either in cash (which the Purchaser may fund through raising of a loan) paid by the Purchaser to RPM or through the issue by Sibanye of Consideration Shares (but with the Purchaser using its reasonable commercial endeavours to ensure that as much of the Upfront Purchase Price as possible is discharged in cash, and subject to certain provisos as set out in the SPA). Any share issuance to RPM will be based on the 20-day VWAP (subject to adjustments for "*cum dividend*" trading and for share splits and consolidations) of Sibanye Shares on the JSE for the 20-trading day period ending on the sixth trading day preceding the date on which such discharge is due. The Upfront Purchase Price will be adjusted after the Effective Date for (i) actual Effective Date cash of the Rustenburg Operations in excess of or less than the estimated Effective Date cash of the Rustenburg Operations, (ii) actual Effective Date indebtedness of the Rustenburg Operations in excess of or less than the estimated Effective Date indebtedness of the Rustenburg Operations and (iii) actual Effective Date working capital of the Rustenburg Operations in excess of or less than a targeted Effective Date working capital of the Rustenburg Operations (in essence, representing a normalised level of working capital). The Upfront Purchase Price will also be adjusted downwards after the Effective Date (subject to the provisions of the SPA) by certain agreed amounts (reflected in the SPA) in the event that the Rustenburg Operations include bargaining unit employees (Patterson D1 and below) and total package employees (Patterson D2 and above) in excess of certain levels aligned with the Base Case Plan and agreed variances (as further defined and determined in accordance with the SPA).

b. ***Deferred Purchase Price***

In addition to the Upfront Purchase Price, RPM shall be entitled to a Deferred Purchase Price, broadly on the following terms:

- The Distributable Free Cash Flow shall be calculated and paid in respect of each Deferred Purchase Price Measurement Period falling (i) in the Initial Period (but if the Purchaser has elected not to extend the Initial Period then excluding only the last Deferred Purchase Price Measurement Period falling in the Initial Period); and (ii) if the Purchaser elects to extend the Initial Period, in the Extended Period (excluding only the last Deferred Purchase Price Measurement Period falling in the Extended Period);
- In respect of each such Deferred Purchase Price Measurement Period, if the Distributable Free Cash Flow is a positive number, the Purchaser will pay to RPM in cash an amount equal to 35% of such Distributable Free Cash Flow for such period (such payments being the "Deferred Purchase Price Payments");
- The Distributable Free Cash Flow will be calculated referenced to audited accounts for the Purchaser, effectively ring-fencing the Sold Business;
- If, after the end of the second last Deferred Purchase Price Measurement Period falling in the Initial Period, the aggregate Deferred Purchase Price payments received by RPM total (for any reason whatsoever) less than R3 billion, then the Purchaser must elect by written notice to RPM to either: (i) discharge the Outstanding Minimum Amount in cash or through the issue by Sibanye of Consideration Shares (on essentially the same basis as described above for the discharge of the Upfront Purchase Price) or (ii) extend the Initial Period by the Extended Period; and
- If, after the end of the last Deferred Purchase Price Measurement Period falling in the Extended Period, the aggregate Deferred Purchase Price payments received by RPM still total less than R3 billion, then the Purchaser must discharge the Final Outstanding Minimum Amount in cash or through the issue by Sibanye of Consideration Shares (on essentially the same basis as described above for the discharge of the Upfront Purchase Price).

RPM has provided warranties to the Purchaser in respect of the Rustenburg Operations ("in accordance with the provisions of the SPA") that are normal for a transaction of this nature and have not guaranteed any book debts or other assets. RPM is not precluded from carrying on business in competition with the Rustenburg Operations.

4.2 **Purchase Price reductions**

In respect of each Purchase Price Reduction Measurement Period falling in the period beginning on the PPR Start Date and ending on the PPR End Date, if the Distributable Free Cash Flow is a negative number, the unadjusted Purchase Price will be adjusted downwards by an amount equal to the lesser of: (i) the Reduction Amount; and (ii) the amount by which such Distributable Free Cash Flow is less than R0.00.

4.3 **Other**

In terms of the SPA, RPM has given limited interim undertakings to the Purchaser, in relation to the Rustenburg Operations, including in relation to: (i) substantially meeting specified thresholds for 4E Oz Production (platinum, palladium, rhodium and gold, in any mix), for underground tonnes milled and for total capital (including SIB) expenditure; and (ii) substantially not overspending more than specified thresholds for total on-mine cash costs.

4.4 **Concentrate Agreement and processing terms**

The Concentrate Agreement regulates, *inter alia*, the terms on which: (i) for the Concentrate Period, all concentrate produced from the Sold Business will be sold to RPM and (ii) for the Toll Treatment Period, RPM will smelt and refine all concentrate produced from the Sold Business on a toll treatment basis, and the Purchaser will gain access to platinum, palladium, gold and rhodium produced for its own marketing purposes.

The price payable by RPM for the concentrate delivered by the Purchaser during the Concentrate Period is based on a formula which calculates the combined value of the different PGMs delivered in a particular month based on the total ounces of each metal delivered multiplied by the average price for that metal in United States dollars as reflected on certain exchanges in the previous month and then multiplies that value by a specified percentage.

For the Toll Treatment Period, RPM will acquire the concentrate (other than platinum, palladium, gold and rhodium contained therein) delivered by the Purchaser during the Toll Treatment Period on substantially the same terms as those applicable during the Concentrate Period. RPM will smelt and refine platinum, palladium, gold and rhodium on a toll-treatment basis on market related terms and refined platinum, palladium, gold and rhodium will be returned to the Purchaser.

4.5 **Use and Access Agreement**

The Use and Access Agreement recognises that short and long-term inter-dependencies will exist between the Purchaser and RPM and accordingly regulates, *inter alia*: (i) RPM's rights of access to the Rustenburg Operations mines and the Purchaser's rights of access to the Waterval Smelter complex and the Rustenburg Refining complex and related matters; and (ii) generally, the ongoing working relationship between the Purchaser and RPM in the context of RPM's continued operation of its smelting and refining operations and the Purchaser's operation of the Rustenburg Operations, after the Effective Date.

The Use and Access Agreement will be operated under the auspices of a technical committee tasked with, *inter alia,* managing the ongoing working relationship between the Purchaser and RPM, identifying the permits, contracts and other arrangements required to be put in place by each of the parties to ensure that they are each able to meet their respective obligations under the Use and Access Agreement. In addition, the technical committee is tasked with facilitating the entry into of various agreements regulating arrangements amongst the parties relating to, *inter alia,* compressed air, power, water, roads, leased premises, waste disposal and waste treatment.

4.6 **Parent Company Guarantee**

In terms of the Parent Company Guarantee, *inter alia*, Sibanye guarantees (also as a principal obligor and further on the terms of such agreement) the obligations of the Purchaser under the SPA, the Concentrate Agreement and the Use and Access Agreement.

4.7 **Conditions precedent**

The implementation of the Transaction is conditional on the fulfilment of various conditions precedent, some of which are customary for a transaction of this nature. The conditions precedent are the following (as set out further in the SPA, including as to conditional and qualified consents and approvals):

- The approval on or before 30 April 2016 of the Transaction by Sibanye Shareholders in terms of section 9 of the JSE Listings Requirements;
- The approval on or before 30 June 2017 of the Transaction by the competition authorities of the Republic of South Africa;
- On or before 30 June 2017 (i) the granting of consents in terms of section 102 of the MPRDA in respect of each of the PSA Consolidation and the Sale Consolidation applications; and (ii) the registration by the MPTRO of a Notarial Deed of Variation of Converted Mining Right in respect of the Sale Consolidation;
- On or before 30 June 2017 the granting of consent in terms of section 11 of the MPRDA for the sale of the Mining Right and the Prospecting Right to the Purchaser pursuant to the Transaction;
- The Purchaser and all relevant counterparties have signed definitive and binding transaction and funding agreements for implementing (no later than the Effective Date) HDSA ownership of the Purchaser, compliant with specified BBBEE requirements and copies of all such agreements have been provided to RPM on or before 31 January 2016;
- On or before 30 June 2017, the following agreements are signed by each of the parties to those agreements:
  - Medical Services Agreement between the Purchaser and Platmed relating to the provision by Platmed of medical and healthcare services to the Purchaser and this agreement has become unconditional;
  - Lease Agreement between the Purchaser and Platmed, relating to the lease by Platmed of the Bleskop Hospital from the Purchaser and this agreement has become unconditional;
  - Rail Transportation Services Agreement between RPM and the Purchaser relating to the provision of rail services to RPM;

- On or before 30 June 2017, a written consent by the Royal Bafokeng Nation to the cession and delegation by RPM of all of its rights and all of its obligations under the Settlement Agreement signed on or about 17 April 2014 and the Royalty Agreement signed on 7 September 2015 (each between RPM and the Royal Bafokeng Nation and relating to, *inter alia*, the settlement of a dispute in relation to, and the calculation and payment of royalties by, RPM to the Royal Bafokeng Nation in respect of mining operations conducted on certain specified properties), to the Purchaser; and
- For the period from 1 October 2015 to and ending on the last day of the month immediately preceding the month in which the last of the Conditions Precedent set out above is fulfilled or waived: (i) RPM (with reference to the Rustenburg Operations) has (a) met specified thresholds for 4E oz Production (platinum, palladium, rhodium and gold, in any mix), for underground tonnes milled and for total capital (including SIB) expenditure; and (b) overspent not more than specified thresholds for total on-mine cash costs; or (ii) if failing to so perform, such failure will not have a material adverse effect on the ability of the Rustenburg Operations to so perform, by no later than and during the 12th month after the month in which the Effective Date falls (with specified assumptions).

Fulfilment of the conditions precedent is expected by the dates stated above, which dates may be extended, as provided for in the SPA. The conditions precedent may also be waived, as provided for in the SPA.

The following conditions precedent in the SPA have been fulfilled (and to the extent not fulfilled, waived):

- Obtaining written consent on or before 30 November 2015 for the Purchaser and Sibanye to implement the Transaction from certain identified senior facility, revolving facility and bridge facility lenders of Sibanye; and
- The signature of (i) a Services Agreement (for the provision of certain utilties and other services to the PSA Business); and (ii) Rail Transportation Services Agreement (for the provision of rail transportation services to the PSA Business), each between RPM (on the one hand) and Aquarius Platinum and RPM (on the other hand, and as parties to the PSA Business) and Aquarius Platinum consenting to RPM (as service provider) ceding its rights and delegating its obligations under these agreements to the Purchaser.

4.8 Categorisation and Sibanye Shareholder approval

The Transaction is classified as a Category 1 transaction for Sibanye under section 9 of the JSE Listings Requirements and is therefore subject to Sibanye Shareholders' approval as detailed in the notice of General Meeting.

Accordingly, approval by the requisite majority of holders of Sibanye Shares present and voting at the General Meeting will be required for the Transaction (as well as for the remaining Ordinary Resolutions and the Special Resolution).

5. OVERVIEW OF THE RUSTENBURG OPERATIONS

The Rustenburg Operations are located centrally on the Western Limb of the Bushveld Complex, near the town of Rustenburg in the North West Province (within the Republic of South Africa), approximately 123 km west of Pretoria and 126 km north-west of Johannesburg. The Rustenburg Operations include the Bathopele, Siphumelele (including Khomanani) and Thembelani (including Khuseleka) mining operations, two concentrating plants, an on-site chrome recovery plant, the WLTR plant and associated surface infrastructure. The Mining Right covers an extensive 28 km strike length with the ore body extending 8 km down dip; the Rustenburg Operations refers exclusively to this mining right area and associated activities.

The Rustenburg Operations exploit the PGM bearing Merensky and UG2 reefs to produce concentrate containing PGMs, as well as, base metals. The mining area under the Mining Rights covers 15 351.8 hectares and the operations include the use of various mining methods, namely board and pillar, conventional stopping and trackless development.

The Rustenburg Operations mining business was restructured in 2013 with three shafts (Khomanani 1, Khomanani 2 and Khuseleka 2) placed on care and maintenance, in addition to Siphumelele 3 and Thembelani 2 which were previously placed on care and maintenance. This implies that no mining is taking place at these shafts.

The waste rock generated from the mining activities is placed on individual waste rock dumps at the shafts. The planned life of mine for the Rustenburg Operations extends to 2041.

The ore is transported from the shaft areas via rail and conveyor to the Waterval Concentrators (comprising Waterval UG2 concentrator and Waterval Retrofit concentrator). Here the ore is crushed and reagents are added to produce a wet concentrate. The wet concentrate is delivered to RPM's Waterval Smelter where it is dried, melted and undergoes a converting process to generate matte. The crushed matte is sent to RPM's Rustenburg Base Metals Refinery to produce base metals (copper, nickel, cobalt and sodium sulphate). Resulting matte and concentrate is received by RPM's Precious Metals Refinery where the concentrate is refined into the respective PGMs (platinum, palladium, rhodium, iridium, ruthenium, osmium and gold), all to a high degree of purity. Tailings generated from the Waterval concentrators are transferred to Platinum Mile Resources Proprietary Limited (a subsidiary of Aquarius Platinum) for further extraction of PGMs and thereafter deposited on the Paardekraal tailings storage facility. The Rustenburg Operations receive a 50% share of profits generated by Platinum Mile Resources Proprietary Limited from the reprocessing of tailings.

The WLTR plant was constructed in order to reprocess previously stockpiled tailings residue from the Klipfontein tailings storage facility and includes the processing of slurry at the WLTR plant (concentrator). Tailings generated from the WLTR plant process are transferred and deposited on the Hoedspruit tailings storage facility.

Salient features of the Rustenburg Operations are:

- Average annual 4E PGM production: 860 000oz (including 500 000oz of platinum) in the next five years;
- 4E PGM reserves of 24.1Moz; and
- 4E PGM resource of 88.3Moz.

The executive summary of the competent persons report is set out in Annexure 5 of this Circular. The full competent persons report can be found on the Sibanye website: www.sibanyegold.co.za.

The competent person does not have any direct or indirect beneficial interest in any asset of Sibanye.

The Rustenburg Operations did not purchase or acquire any material assets in the three years preceding the date of this circular and does not propose to purchase or acquire any material assets as at the last Practicable Date.

There has not been any material change in the financial or trading position of the Rustenburg Operations that has occurred since 30 June 2015 (being the date of the unaudited reviewed interim reports of the Rustenburg Operations).

6. ***PRO FORMA*** **FINANCIAL EFFECTS**

Annexure 3 of this Circular contains the *pro forma* financial effects which illustrate the impact of the Transaction on the EPS, diluted EPS, HEPS, diluted HEPS, NAV per share and TNAV per share of Sibanye for the six months ended 30 June 2015. The independent reporting accountants' report on the *pro forma* Financial Information of Sibanye is contained in Annexure 4 of this Circular.

The *pro forma* Financial Information is presented in accordance with the provisions of the JSE Listings Requirements and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants.

The *pro forma* financial effects have been prepared by management of Sibanye and are the responsibility of the Board.

The *pro forma* financial effects are presented in a manner consistent with the basis on which the historical financial information of Sibanye has been presented and in terms of Sibanye's accounting policies for the financial year ended 31 December 2014. The *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature, may not give a fair reflection of Sibanye's financial position, changes in equity or results of operations post implementation of the Transaction.

It has been assumed for purposes of the *pro forma* financial effects that the Transaction took place with effect from 1 January 2015 for the income statement and on 30 June 2015 for the statement of financial position.

The *pro forma* financial information relating to the Transaction has been prepared based on the following assumptions:

- The R1.5 billion Upfront Purchase Price is discharged in cash by raising a loan, refer to Annexure 3: Section A (excludes the post balance sheet proposed Aquarius Plantinum Limited acquisition).
- The R1.5 billion Upfront Purchase Price is discharged through the allotment and issue by Sibanye of Consideration Shares to RPM in the share capital of Sibanye, refer to Annexure 3: Section B (excludes the post balance sheet proposed Aquarius Plantinum Limited acquisition).

A: *Pro forma* financial information of the Transaction should be the Upfront Purchase Price be discharged in cash by raising a loan

		Before the transaction [(a)]	After the transaction [(b)]	% change
EPS	Cents	20	419	1 995
Diluted EPS	Cents	20	417	1 985
HEPS	Cents	19	(100)	(626)
Diluted HEPS	Cents	19	(100)	(626)
NAV per share	Cents	16	21	31
TNAV per share	Cents	15	20	33
Weighted average number of shares in issue		909 295 336	909 295 336	0
Diluted weighted average number of shares in issue		913 536 005	913 536 005	0
Number of shares issued		913 925 046	913 925 046	0

Notes:

(a) The "Before the Transaction" financial information is based on Sibanye's reviewed condensed consolidated interim financial statements for the six months ended 30 June 2015.

(b) For detailed notes relating to the adjustments refer to Annexure 3: Section A of this Circular.

B: *Pro Forma* financial information of the Transaction should the Upfront Purchase Price be discharged through the allotment and issue by Sibanye of Consideration Shares to RPM

		Before the transaction[(a)]	After the transaction[(b)]	% change
EPS	Cents	20	393	1 865
Diluted EPS	Cents	20	392	1 860
HEPS	Cents	19	(88)	(563)
Diluted HEPS	Cents	19	(88)	(563)
NAV per share	Cents	16	21	31
TNAV per share	Cents	15	20	33
Weighted average number of shares in issue		909 295 336	980 894 381	8
Diluted weighted average number of shares in issue		913 536 005	985 135 050	8
Number of shares issued		913 925 046	985 524 091	8

Notes:

(a) The "Before the Transaction" financial information is based on Sibanye's reviewed condensed consolidated interim financial statements for the six months ended 30 June 2015.

(b) For detailed notes relating to the adjustments, refer to Annexure 3: Section B of this Circular.

C: *Pro Forma* financial information of the Transaction adjusted for the post-balance sheet announcement of the proposed Aquarius Platinum Limited acquisition

These *pro forma* financial effects will be released on SENS and the Company's website in due course.

7. BBBEE TRANSACTION

Sibanye understands the importance of ensuring that social and economic transformation be accelerated in the South African mining sector. It accordingly intends to enter into the BBBEE Transaction to empower the Purchaser (i.e. Sibanye Rustenburg Platinum Mines), to ensure full compliance, at a minimum, with the Mining Charter, the Mining Codes of Good Practice and the MPRDA.

The BBBEE Stakeholders comprise the following BBBEE partners:

- **Rustenburg Mine Community Development Trust**

  The objective of the Rustenburg Mine Community Development Trust shall be to hold the BBBEE Co. SPV shares as an asset for the benefit of the communities surrounding the Rustenburg Operations. This trust will act as a platform for representative beneficiary participation including a broad-based engagement process. Through the holding of shares in the BBBEE Co SPV and receipt of dividends from the Rustenburg Operations (via the BBBEE Co. SPV), the trust will enhance the material benefits and moral welfare of the communities by advancing:

- Education, training and bursaries and more specifically so in mining and related industries;
- Sustainable health and social developments within the communities;
- Entrepreneurship within the communities;
- Sustainable economic development within the communities; and
- The general upliftment and empowerment of the communities.

- **Rustenburg Mine Employee Trust**

  The objective of the Rustenburg Mine Employees Trust shall be to hold the BBBEE Co SPV shares as an asset for the benefit of current employees of the Rustenburg Operations and to pay to those employees who are employed at the Rustenburg Operations at the time of declaration from the BBBEE Co. SPV a participation on the terms and conditions as set out in the Rustenburg Mine Employee Trust deed.

- **Bakgatla-Ba-Kgafela Investment Holdings**

  Bakgatla-Ba-Kgafela Investment Holdings is a diversified investment holding company, which was incorporated to house the commercial assets of the Bakgatla. The Bakgatla are committed to addressing and promoting socio-economic development of the community and the region. This development will be catalysed through reinvestment of the areas mineral wealth and sustained through the advancement of agriculture, tourism and industry.

It is intended that BBBEE Stakeholders will be introduced at a Sibanye Rustenburg Platinum Mines level, through a direct shareholding by BBBEE Co. SPV in Sibanye Rustenburg Platinum Mines, with BBBEE Co. SPV purchasing 26% of the shares in Sibanye Rustenburg Platinum Mines, from Sibanye Platinum. The purchase price for BBBEE Co. SPV will be the BBBEE Purchase Consideration.

The BBBEE Purchase Consideration will be funded by the Facility on the following terms:

- Interest at up to 0.2% above Sibanye's highest cost of debt;
- Post payment of the annual Deferred Purchase Price to RPM and in respect of any repayment by Sibanye Rustenburg Platinum Mines of shareholder loans or the distribution of dividends, 74% will be paid to Sibanye Platinum and 26% to BBBEE Co. SPV;
- Of any 26% payment to BBBEE Co. SPV, 85% will be used to service the Facility owing by BBBEE Co. SPV to Sibanye Platinum;
- The remaining 15% of any such payment will be retained by BBBEE Co. SPV or declared by BBBEE Co. SPV as a dividend to the BBBEE Co. SPV shareholders, as shall be determined by the Board of directors of BBBEE Co. SPV from time to time; and
- The Facility will be capped at R3 500 million ("Facility Cap") (i.e. to the extent that the Facility accrues interest such that the Facility Cap is reached, then the Facility will no longer bear interest beyond this amount).

BBBEE Co. SPV will be required to enter into the BBBEE Transaction agreements, which comprise an equity purchase agreement in respect of the 26% BBBEE equity in Sibanye Rustenburg Platinum Mines, a shareholders agreement to govern the shareholding in Sibanye Rustenburg Platinum Mines (which would include customary terms for an agreement of this nature including board representation, minority protections), the required financing agreements in respect of the BBBEE Purchase Consideration and a shareholders agreement to govern the shareholding in BBBEE Co. SPV.

The BBBEE Co. SPV board is intended to be reflective of the ownership of BEE Co SPV.

The BBBEE Transaction is still subject to a number of conditions precedent which are customary for a transaction of this nature, including, *inter alia*:

- Conclusion of the BBBEE Transaction agreements;
- The Transaction Agreements becoming unconditional and being implemented; and
- Receiving the requisite regulatory approvals.

8. **PROSPECTS**

The vision of Sibanye is to create superior value for all of its stakeholders. This vision is underpinned by Sibanye's commitment to pay its shareholders sustainable, industry leading dividends. Sibanye intends to achieve this vision by optimising its current operations and those acquired in terms of the Transaction, through the application of its established operating model to extend their operating lives, and by leveraging existing infrastructure to enhance the inherent value of brownfields projects.

Sibanye has firmly established itself as a credible operator with investor, regulatory and organised labour groups, with a strong management team and the necessary operational and corporate credentials. This, combined with a robust balance sheet and access to capital markets, affords Sibanye the ability to provide the Rustenburg Operations with the capital investment and attention required to achieve a sustainable future. The Rustenburg Operations will form a cornerstone of Sibanye's strategy to create a South African mining champion and a proudly South African operator.

9. **INFORMATION ON DIRECTORS**

No new directors of the Company are proposed under or as a result of the Transaction. The members of the Board as of the date of this Circular are set forth below.

Chairman – Matthews S Moloko (50) (South African)

Advanced Management Program (The Wharton School, University of Pennsylvania, USA); Postgraduate Certificate in Education (University of Leicester, UK); BSc Honours (University of Leicester, UK)

Sello is the Executive Chairman of Thesele Group, a business he co-founded in 2004. He is also currently serving as Non-executive Chairman of two listed companies Sibanye Gold and Alexander Forbes Group Holdings and also serves as Non-executive Director of General Reinsurance Africa. Sello has a strong financial services background and is the former CEO of Old Mutual Asset Managers. He is a former Non-executive Director of the Industrial Development Corporation, Gold Fields Limited, Acucap Properties Limited, Sycom Property Fund and Seartec Industries. He is also a trustee of the Nelson Mandela Foundation and is a past president of the Association of Securities and Investment Professionals (ABSIP).

Chief Executive Officer – Neal J Froneman (56) (South African)

BSc Mech Eng (Ind Opt), University of the Witwatersrand; BCompt, University of South Africa; PrEng

Neal Froneman was appointed an executive Director and CEO of Sibanye on 1 January 2013. He has over 30 years of relevant operational, corporate development and mining industry experience. He was appointed CEO of Aflease Gold Limited ("Aflease Gold") in April 2003. Aflease Gold, through a series of reverse take-overs, became Gold One in May 2009. Neal was primarily responsible for the creation of Uranium One Incorporated ("Uranium One") from the Aflease Gold uranium assets. During this period, he was CEO of Aflease Gold and Uranium One until his resignation from Uranium One in February 2008. Prior to joining Aflease Gold, Neal held executive and senior management positions at Gold Fields of South Africa Limited, Harmony Gold Mining Company Limited ("Harmony") and JCI Limited. He is also a non-executive director of Delview Three Proprietary Limited, 17 Perissa Proprietary Limited and Forestry Services Proprietary Limited.

Chief Financial Officer – Charl Keyter (42) (South African)

BCom, Johannesburg University; MBA, Northwest University; ACMA and CGMA

Charl Keyter was appointed a Director of Sibanye on 9 November 2012, and executive Director and CFO on 1 January 2013. Previously, he was Vice President and Group Head of International Finance at Gold Fields. Charl has more than 20 years' mining experience, having begun his career at Gold Fields in February 1995. He is also a non-executive Director of Oil Recovery and Maintenance Services Proprietary Limited

Non-executive Directors

Christopher D Chadwick (47) (South African)

BCompt (Hons) (CTA), University of South Africa; CA(SA)

Christopher Chadwick was appointed a non-executive Director on 16 May 2014. He is a chartered accountant who passed the South African Institute of Chartered Accountants Board exam in 1991 when he also completed his articles at Deloitte Touche Tohmatsu Limited. The earlier part of his career was spent with Comair Limited, the largest privately owned airline in South Africa, where he assisted in growing the company tenfold over a period of four years. After financial executive roles in the advertising, fast-moving consumer goods and services industries, Christopher moved into the information technology industry to assume financial and strategic directorships for five years. He spent another four years at an investment holding group where he was involved in corporate development and finance across many different sectors. Christopher joined Gold One in July 2008 as a Board director and is currently the CEO of Gold One. He was directly involved in the creation of Gold One through the reverse take-over of Australian listed BMA Gold Limited.

Robert T L Chan (69) (Chinese)

BSc (Economics) (Hons), University of London; MBA, University of Liverpool

Robert Chan was appointed a non-executive Director on 16 May 2014. He is an experienced banker with over 39 years' experience in commercial and investment banking, having worked in London, Malaysia and Singapore. He retired from the United Overseas Bank Limited ("United Overseas Bank") on 31 December 2011 after 35 years of service (25 years as CEO of United Overseas Bank, Hong Kong). Robert has served as an independent non-executive Director of Noble Group Limited since 1996. He is an independent non-executive Director of Hutchison Port Holdings Trustees Pte Limited, Trustee Manager of Hutchison Port Holdings Trust, a business trust listed in Singapore, as well as Quam Limited, which is listed in Hong Kong. He is currently the non-executive Chairman of The Hour Glass (HK) Limited. He is also a Fellow of the Hong Kong Institute of Directors.

Timothy J Cumming (58) (South African)

BSc (Engineering) (Hons), University of Cape Town; BA (PPE), MA (Oxon)

Timothy Cumming was appointed a non-executive Director on 21 February 2013. He is the founder and a partner of Scatterlinks Proprietary Limited, a South African-based company mentoring and coaching senior business executives, and providing strategic advisory services to financial services businesses. He was previously involved with the Old Mutual group in various capacities: CEO of Old Mutual Investment Group (South Africa) Proprietary Limited, Executive Vice President: Director of Global Business Development of Old Mutual Asset Management for Old Mutual (US) Holdings Inc, Managing Director: Head of Corporate Segment at Old Mutual (South Africa), Strategy Director of Old Mutual Emerging Markets and Interim CEO of Old Mutual Investment Group (South Africa). He was also executive Director and Head of Investment Research (Africa) for HSBC Holdings plc, Chairman of Amama South Africa Rural Social Enterprise NPC, sole Director of Chris Leal Property Investments Proprietary Limited and independent non-executive Director of Nedgroup Investments Limited. Timothy started his career as a management trainee at the Anglo American Corporation of South Africa Limited ("Anglo American"). He worked on a number of diamond mines and was Resident Engineer at Anglo American's gold mines in Welkom, South Africa.

Barry E Davison (70) (South African)

BA (Law and Economics), University of the Witwatersrand; Graduate Commerce Diploma, Birmingham University; CIS Diploma in Advanced Financial Management and Advanced Executive Programme, University of South Africa

Barry Davison was appointed a non-executive Director on 21 February 2013. He has more than 40 years' experience in the mining industry and served as executive Chairman of AAP, Chairman of Anglo American's Platinum Division, and Ferrous Metals and Industries Division, and was an executive Director of Anglo American. He has been a director of a number of listed companies, including Nedbank Group Limited, Kumba Resources Limited, Samancor Limited and the Tongaat-Hulett Group Limited.

Richard P Menell (60) (South African)

BA (Hons), MA (Natural Sciences, Geology) Trinity College University of Cambridge; MSc (Mineral Exploration and Management), Stanford University

Richard (Rick) Menell was appointed a non-executive Director on 1 January 2013. He has over 30 years' experience in the mining industry and has been a Director of Gold Fields since 8 October 2008. Previously, he occupied the positions of President and Member of the Chamber of Mines of South Africa, President and CEO of TEAL Exploration & Mining Inc, Chairman of Anglovaal Mining Limited and Avgold Limited, Chairman of Bateman Engineering Proprietary Limited (Dutch), Deputy Chairman of Harmony and African Rainbow Minerals Limited. He has also been a Director of Telkom Group Limited, Standard Bank of South Africa Limited, and Mutual and Federal Insurance Company Limited. He is currently a non-executive Director and Chairman of Credit Suisse Securities Johannesburg Proprietary Limited, non-executive Director of Gold Fields, The Weir Group plc and Rockwell Diamonds Inc. Rick is a trustee of Brand South Africa and the Carrick Foundation. He is co-Chairman of the City Year South Africa Citizen Service Organisation, and Chairman and trustee of the Palaeontological Scientific Trust.

Nkosemntu G Nika (57) (South African)

BCom, University of Fort Hare; BCompt (Hons), University of South Africa; Advanced Management Programme, INSEAD; CA(SA)

Nkosemntu Nika was appointed a non-executive Director on 21 February 2013. He is currently an independent non-executive Director of Scaw South Africa Proprietary Limited and Chairman of the Audit and Risk Committee of Foskor Proprietary Limited. He was previously CFO and Finance Director of PetroSA (SOC) Limited and Executive Manager: Finance at the Development Bank of Southern Africa. He has held various internal auditing positions at Eskom Holdings (SOC) Limited, Shell Company of South Africa Limited and Anglo American. He was also a non-executive board member of the Industrial Development Corporation of South Africa Limited and chaired its Audit and Risk Committee and Governance and Ethics Committee.

Keith A Rayner (58) (South African)

BCom, Rhodes University; CTA; CA(SA)

Keith is a South African chartered accountant with experience in corporate finance. He is CEO of KAR Presentations, an advisory and presentation corporation, which specialises in corporate finance and regulatory advice and presentations. Advice and presentations include, *inter alia*, the JSE Listings Requirements, Financial Markets Act, Companies Act, Governance, Takeover law, corporate action strategy, valuation theory and practice, IFRS and various director's courses. He is an independent non-executive director of three JSE listed companies and is a director of a number of private companies. He is a member of the JSE Limited's Issuer Regulation Advisory Committee, is a fellow of the Institute of Directors in South Africa, is a non broking member of the Institute of Stockbrokers in South Africa and is a member of the Investment Analysts Society. He is a past member of the SAMREC/SAMVAL working group, the Takeover Regulation Panel's rewrite committee, the IOD's CRISA committee and SAICA's Accounting Practices Committee.

Susan C van der Merwe (61) (South African)

BA, University of Cape Town

Susan van der Merwe was appointed a non-executive Director on 21 February 2013. She served as a member of Parliament for 18 years until October 2013, and held various positions, including Deputy Minister of Foreign Affairs from 2004 to 2010. She is currently a member of the National Executive Committee of the ANC. She has participated in various civil society organisations and currently serves as a trustee and Chair of the Kay Mason Foundation, which is a non-profit organisation assisting disadvantaged scholars in Cape Town. Susan was appointed to the National Council of the South African Institute of International Affairs in 2014.

Jerry S Vilakazi (54) (South African)

BA, University of South Africa; MA, Thames Valley University; MA, University of London; MBA, California Coast University

Jerry Vilakazi was appointed a non-executive Director on 1 January 2013. He is Chairman of Palama Investment Holdings Proprietary Limited, which he co-founded to facilitate investments in strategic sectors. He is a past CEO of Business Unity South Africa. Prior to this, he was Managing Director of the Black Management Forum. In 2009 Jerry was appointed to the Presidential Broad-based Black Economic Empowerment Advisory Council and he was appointed as a Commissioner of the National Planning Commission in 2010. He was appointed Public Service Commissioner in 1999 and has played a critical role in shaping major public service policies in post-1994 South Africa. Jerry is Chairman of the Mpumalanga Gambling Board and the State Information Technology Agency (SOC) Proprietary Limited. He is non-executive Chairman of Netcare Limited and holds non-executive directorships in Goliath Gold, Blue Label Telecoms Limited and General Healthcare Group plc (UK). He is also a former non-executive Director of Pretoria Portland Cement Limited.

Jiyu Yuan (54) (Chinese)

Mining Engineering, Xi'an University of Architecture and Technology

Jiyu Yuan was appointed a non-executive Director on 12 May 2015. Jiyu is a mining engineer with 33 years of experience in China and Peru. He is currently a Director of Gold One and General Manager of Shouxin Peru Mine Company Limited. Previously, Jiyu served as a General Manager at Xinjiang Mine Development Limited of Baiyin Nonferrous Group Company Limited ("Baiyin"), General Manager, at Changba Lead and Zinc Mine of Baiyin, director in the Mine Department of Baiyin and Senior Engineer at Northwest Research Institute of Mining and Metallurgy.

Prescribed Officers

The Prescribed Officers as of the date of this Circular are set forth below:

Hartley Dikgale (55) (South African) – Executive Vice President: Corporate Affairs

BIuris, University of the North; LLB, HDip (Company Law), University of the Witwatersrand; LLM, Vista University

Hartley Dikgale is an admitted advocate of the High Court of South Africa and has more than 30 years of corporate experience as a business executive. He has served on more than 20 boards of directors of listed and unlisted companies. He was introduced to the mining sector in 2004 when he was appointed to the Board of Pamodzi Gold Limited as a non-executive Director. He has worked for, among others, Sanlam Limited, Old Mutual, the Independent Communications Authority of South Africa, Rand Water Board and Pamodzi Investment Holdings Proprietary Limited. In recent years (from 2010 to 2012), Hartley has worked for Rand Uranium Proprietary Limited ("Rand Uranium") in an executive capacity as Senior Vice President: General Counsel. When Gold One acquired Rand Uranium, Hartley joined Gold One as Senior Vice President: General Counsel from 2012 to 2013. Hartley joined Sibanye in May 2013 where he now serves in a similar capacity.

Dawie Mostert (46) (South African) – Executive Vice President: Commercial Services

Diploma in Labour Relations; MDP (Adv Labour Law); MBA, University of South Africa

Dawie Mostert, who has more than 18 years' experience in the mining industry, was appointed to his position on 1 January 2013. Prior to joining Sibanye, he served as Vice President: Commercial Services at Gold One in 2012 and Vice President: Human Capital at Great Basin Gold from 2006 to 2012. Prior to joining Great Basin Gold in 2006, he was Executive: Organisational Development and Employee Relations at Harmony from 2002 to 2006. Dawie joined Harmony in 1996 as part of the acquisition transformational team and was appointed Mine Manager at Elandsrand mine from 2001 to 2002.

Wayne Robinson (52) (South African) – Divisional Chief Executive Officer: Gold and Uranium

BSc (Mechanical Engineering), University of Natal; BSc (Mining Engineering), University of the Witwatersrand; PrEng; South African Mine Manager's Certificate of Competency (Metalliferous); South African Mechanical Engineer's Certificate of Competency

Wayne Robinson has worked in the South African gold and platinum mining sectors for more than 25 years with experience in underground mine management. Prior to joining Sibanye, he was the Executive Vice President of Cooke Operations and served on the Gold One Executive Committee from 2012 to 2014. He has held senior management positions at Eastern Platinum Limited from 2006 to 2012, Richards Bay Minerals, from 2005 to 2006 and Gold Fields, having qualified as a mechanical and mining engineer.

Richard Stewart (40) (South African) – Executive Vice President: Business Development

BSc (Hons), PhD (Geology), University of the Witwatersrand, MBA, Warwick Business School (UK)

Richard Stewart has over 15 years' experience in South Africa's geological and mining industries, and is a professional natural scientist registered with the South African Council for Natural Scientific Professions and a Fellow of the Geological Society of South Africa. Prior to joining Sibanye in 2014, he served on the Gold One Executive Committee as Executive Vice President: Technical Services and was also CEO of Goliath Gold. Prior to that he held management positions at the Council for Scientific and Industrial Research Mining Technology division, Shango Solutions, Uranium One and was an Investment Consultant for African Global Capital Proprietary Limited.

Robert van Niekerk (50) (South African) – Executive Vice President: Organisational Effectiveness

National Higher Diploma (Metalliferous Mining), Technikon Witwatersrand; BSc (Mining Engineering), University of the Witwatersrand; South African Mine Manager's Certificate of Competency

Robert van Niekerk was appointed to this position in February 2013. Prior to joining Sibanye, he was the Senior Vice President and Group Head of Mining at Gold Fields from November 2011. He previously occupied several senior management positions at Gold Fields (from September 2009 to November 2011) and Amplats as well as management positions at Uranium One and Gold One. Robert began his mining career in 1982 as a Barlow's Learner Official and progressed through the mining ranks at a number of South African underground and surface operations.

Executive Officers

Sibanye is currently managed by its Board. Neal Froneman (CEO) and Charl Keyter (CFO) have been appointed Executive Officers effective as of 1 January 2013.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration and the benefits of Directors, Prescribed Officers and senior management will not be varied as a result of the transaction.

SHARE OWNERSHIP OF DIRECTORS AND PRESCRIBED OFFICERS

The following sets forth, to the knowledge of Sibanye's management, the total amount of Sibanye Shares directly or indirectly owned by the Directors, prescribed officers, and their associates as at 31 December 2014:

	2014	%	2013	%
Executive Directors				
Charl Keyter	78 404	0.01	48 040	0.01
Prescribed Officers				
Cain Farrel	37 772	0.00	26 436	0.00
Peter Turner	448 135	0.05	347 419	0.04
James Wellsted	33 016	0.00	33 016	0.00
Non-executive Directors				
Chris Chadwick	88	0.00	–	0.00
Timothy Cumming	100	0.00	100	0.00
Richard Menell	44 800	0.00	44 800	0.00
Keith Rayner	60 000	0.01	70 000	0.01

Set out below are the Director's and Prescribed Officers' holdings as at the Last Practicable Date showing the changes since 31 December 2014:

	2015	%
Executive Directors		
Neal Froneman	164 832	0.02
Charl Keyter	227 898	0.03
Prescribed Officers		
Cain Farrel	120 031	0.01
Peter Turner	814 302	0.09
James Wellsted	33 016	0.00
Non-executive Directors		
Chris Chadwick	88	0.00
Timothy Cumming	100	0.00
Richard Menell	44 800	0.00
Keith Rayner	60 000	0.01
Barry Davidson	500 000	0.06

EXECUTIVE DIRECTORS' CONTRACTS OF EMPLOYMENT

The employment of an executive Director will continue until terminated upon (i) 24 or 12 months' notice by either party for the CEO and CFO, respectively, or (ii) retirement of the relevant executive Director (currently provided for at age 60 in the contract). Sibanye can also terminate the executive Director's employment summarily for any reason recognised by law as justifying summary termination.

The employment contracts also provide that, in the event of the relevant executive Director's employment being terminated solely as a result of a "change of control" as defined below, and within 12 months of the change of control, the Director is entitled to:

(i) Payment of an amount equal to twice his gross remuneration package , or two and a half times in the case of the CEO;

(ii) Payment of an amount equal to the average of the incentive bonuses paid to the executive director during the previous two completed financial years;

(iii) Any other payments and/or benefits due under the contracts;

(iv) Payment of any annual incentive bonus he has earned during the financial year notwithstanding that the financial year is incomplete;

(v) An entitlement to awards, in terms of the Sibanye Limited Incentive Scheme, shall accelerate on the date of termination of employment and settle with the full number of shares previously awarded.

The employment contracts further provide that these payments cover any compensation or damages the executive Director may have under any applicable employment legislation.

A "change of control" for the above is defined as the acquisition by a third party or concerned parties of 30% or more of Sibanye ordinary shares.

In the event of the consummation of an acquisition, merger, consolidation, scheme of arrangement or other reorganisation, whether or not there is a change of control, if the executive Director's services are terminated, the "change of control" provisions summarised above also apply.

The two executives who are currently entitled to the change of control compensation benefits will be grandfathered. Except for the two executives, none of the Prescribed Officers have entered into employment contracts that should compensate for severance because of change of control.

DIRECTORS' AND OFFICERS' DISCLOSURE OF INTERESTS IN CONTRACTS

During the year under review, no contracts were entered into in which Directors and officers of the company had an interest and which significantly affected the business of the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS

None of the Directors, officers or major shareholders of Sibanye or other companies in the Sibanye Group or, to the knowledge of Sibanye's management, their families, had any interest, direct or indirect, in any transaction effected by the Company during the last three financial years or during any earlier financial year and remain in any respect outstanding and unperformed or in any proposed transaction. None of the Directors or officers of Sibanye or any associate of such Director or officer is currently or has been at any time during the past three financial years materially indebted to Sibanye.

The Transaction will not result in any change to the above.

10. CORPORATE GOVERNANCE

Sibanye listed on 11 February 2013, with its primary listing on the JSE. It is registered with the SEC in the United States and its ordinary shares are listed on the NYSE in the form of an ADR programme administered by BNYM.

As a result, the Group is subject to compliance with the JSE Listings Requirements and to the disclosure and corporate governance requirements of the NYSE. The Group's compliance with the terms of the Sarbanes-Oxley Act, 2002 is documented in the Form 20-F. In 2014 the Group complied with all the applicable governance requirements.

The Group has adopted high standards of accountability, transparency and integrity in the running of its business and reporting to shareholders and other stakeholders.

The approach to corporate governance is guided by the principles of fairness, accountability, responsibility and transparency. Special attention has been given to providing stakeholders and the financial investment community with clear, concise, accurate and timely information about the Group's operations and results; reporting to shareholders on an integrated basis on Sibanye's financial and sustainable performance; ensuring appropriate business and financial risk management; ensuring that no director, management official or other employee of the Sibanye Group deals directly or indirectly in Sibanye shares on the basis of unpublished price-sensitive information regarding the Sibanye Group, or otherwise during any prohibited period; and recognition of the Group's social responsibility to provide assistance and development support to the communities in which it operates and to deserving institutions at large.

The Group applies the principles contained in King III and has implemented the King III principles and recommendations across the Group. The one exception is the King III recommendation that employment contracts should not compensate executives for severance because of change of control (although this does not preclude payments for retaining key executives during a period of uncertainty).

For detailed information on corporate governance, please see Annexure 5 of this Circular.

11. **MAJOR SHAREHOLDERS**

As at the Last Practicable Date the following shareholders have at least a 5% beneficial shareholding:

Shareholder	Total shareholding	%
Gold One International Limited	185 143 482	20.24
Allan Gray Investment Council	80 753 855	8.83
Public Investment Corporation SOC Limited	79 612 413	8.70
Van Eck Associates Corporation (US)	65 030 161	7.11
Old Mutual Plc	50 100 788	5.48

12. **LITIGATION STATEMENT**

12.1 Sibanye

The Group provides occupational healthcare services to its employees through its existing facilities at the various operations. There is a risk that the cost of providing such services could increase in future, depending upon changes in the nature of underlying legislation and the profile of employees. Any such increased cost cannot be quantified. The Group is monitoring developments in this regard.

The principal health risks associated with Sibanye's mining operations in South Africa arise from occupational exposure to silica dust, noise, heat and certain hazardous chemicals. The most significant occupational diseases affecting Sibanye's workforce include lung diseases (such as silicosis, TB, a combination of the two and chronic obstructive airways disease), as well as noise induced hearing loss. The Occupational Diseases in Mines and Works Act ("ODMWA") governs the compensation paid to mining employees who contract certain illnesses, such as silicosis. The South African Constitutional Court has ruled that a claim for compensation under ODMWA does not prevent an employee from seeking compensation from its employer in a civil action under common law (either as individuals or as a class). While issues such as negligence and causation need to be proved on a case-by-case basis, it is possible that such ruling could expose Sibanye to individual or class action claims related to occupational hazards and diseases (including silicosis). If Sibanye were to face a significant number of such claims and the claims were suitably established against it, the payments of compensation for the claims could have a material adverse effect on Sibanye's results of operations and financial position. In addition, Sibanye may incur significant additional costs arising out of these issues, including costs relating to the payment of fees, levies or other contributions in respect of compensatory or other funds established (if any), and expenditures arising out of its efforts to resolve any outstanding claims or other potential action.

On 21 August 2012, a court application was served on a group of respondents that included Sibanye ("the August Respondents"). On 21 December 2012 a further court application was issued and was formally served on a number of respondents, including Sibanye ("the December Respondents") and again on 10 January 2013 on both the August Respondents and the December Respondents, (together, "the Respondents"), on behalf of former and current mine workers, and their dependants, of, among others, Sibanye, and who allegedly contracted silicosis and/or other occupational lung diseases ("OLD") ("the Class"). The court applications of 21 August 2012 and of 21 December 2012 are together referred to below as the "Applications".

Sibanye filed a notice of its intention to oppose the Applications and instructed its attorneys to defend the claims.

These Applications requested that the court:

1. As a first phase, and contrary to South African legal precedent, to certify a class action to be instituted by the applicants on behalf of the Class, as defined.
2. As a second phase, to possibly split the Class, as defined, into smaller classes based on common legal and factual issues.
3. In the last stage, bring an action wherein they will attempt to hold the respondents liable for silicosis and other OLD and resultant consequences. The Applications do not identify the number of claims that may be instituted against the respondents or the quantum of damages that the applicants may seek.

The Applications were set down and heard during the weeks of 12 and 19 October 2015. Judgement is expected to be handed down during the first quarter of 2016. At this stage, Sibanye can neither quantify the potential liability from the action as the application is currently for certification of a Class (and possibly, subsequent classes), nor can the length of time until finalisation be estimated.

Anglo American South Africa, AngloGold Ashanti, Gold Fields, Harmony and Sibanye announced in November 2014 that they had formed a gold mining industry working group to address issues relating to the compensation and medical care for OLD in the gold mining industry of South Africa. Essentially, the companies are seeking a comprehensive and sustainable solution, which deals both with the legacy compensation issues and future legal frameworks and which, while being fair to employees, also ensures the future sustainability of companies in the industry.

The companies have engaged all stakeholders on these matters, including government, organised labour, other mining companies within and outside of the gold sector, and legal representatives of claimants who have filed legal suits against the companies.

12.2 Rustenburg Operations

There are no legal or arbitration proceedings relating to the Rustenburg Operations, including proceedings that are pending or threatened, of which Sibanye is aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

13. OPINION AND RECOMMENDATIONS

The Directors are of the opinion that the:

- Company and the Sibanye Group will be able to pay its debts in the ordinary course of business for a period of 12 months after the date of the approval of the Circular;
- Assets of the Company and the Sibanye Group will exceed the liabilities of the Company and the Sibanye Group for a period of at least 12 months after the date of the approval of the Circular. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the Company's latest audited consolidated annual financial statements;
- Share capital and reserves of the Company and the Sibanye Group will be adequate for ordinary business purposes for a period of at least 12 months after the date of the approval of the Circular; and
- Working capital of the Company and the Sibanye Group is sufficient for the Group's present requirements and will be adequate for ordinary business purposes for a period of at least 12 months after the date of the approval of the Circular; and
- The Transaction is compelling for strategic and financial reasons, amongst others that it (i) provides Sibanye with an attractively priced entry into the PGM sector at an advantageous period in the metal price cycle; and (ii) is consistent with Sibanye's strategic objectives.

The Directors unanimously recommend that Sibanye Shareholders vote in favour of the Special Resolution and the Ordinary Resolutions at the General Meeting. Each of the Directors who hold Sibanye Shares intends to vote his or her Sibanye Shares in favour of the Special Resolution and the Ordinary Resolutions at the General Meeting.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out in the "Corporate Information" section of this Circular, individually and collectively accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, no facts have been omitted that would make any statement in this Circular false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the JSE Listings Requirements.

15. CONSENTS

Edward Nathan Sonnenbergs Incorporated, J.P. Morgan Equities South Africa Proprietary Limited, Linklaters LLP, Qinisele Resources Proprietary Limited, HSBC Bank plc – Johannesburg branch , BNYM and the Transfer Secretaries have consented in writing to act in their capacities stated and to their names being stated in this Circular and none of the aforementioned have withdrawn their consent prior to the publication of this Circular.

Deloitte and KPMG have given and have not withdrawn their written consent to the issue of this Circular, containing their reporting accountant's reports in the form and context in which it appears.

Snowden, DTM and DRA have given and have not withdrawn their written consent to the issue of this Circular, containing their Competent Persons Report in the form and context in which it appears.

16. **NOTICE OF GENERAL MEETING**

The General Meeting will be held at Sibanye Gold Academy, Rietkloof 349, Glenharvie, 1786, South Africa at **09h00** on **Monday, 18 January 2016** in order for Sibanye Shareholders to consider and, if deemed fit, pass the Special Resolution and the Ordinary Resolutions.

17. **ACTION TO BE TAKEN BY SIBANYE SHAREHOLDERS**

A form of proxy is attached for the convenience of Certificated and own-name Dematerialised Shareholders who are unable to attend the General Meeting, but who wish to be represented thereat. In order to ensure validity, duly completed forms of proxy must be returned to the Transfer Secretaries, to reach them by no later than **09h00** on **Thursday, 14 January 2016**.

The CSDP or broker, as the case may be, of Dematerialised Shareholders other than those with own-name registration, should contact such Dematerialised Shareholders to ascertain how they wish their votes to be cast at the General Meeting and thereafter cast their votes in accordance with their instructions. If such Dematerialised Shareholders have not been contacted, it is recommended that they contact their CSDP or broker, as the case may be, to advise them as to how they wish their vote to be cast.

Dematerialised Shareholders, other than those with own-name registration, who wish to attend the General Meeting and vote at it, must request a letter of representation from their CSDP or broker, as the case may be.

ELECTRONIC PARTICIPATION

The Company intends to offer Sibanye Shareholders reasonable access to participate in the General Meeting through electronic conference call facilities, in accordance with the provisions of the Act. Sibanye Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at Libanon Business Park, 1 Hospital Street (Off Cedar Avenue), Libanon, Westonaria, 1780, South Africa, (marked for the attention of the Company Secretary) by no later than **09h00** on **Friday, 8 January 2016** stating that they wish to participate in the General Meeting via electronic communication.

In order for the Electronic Notice to be valid it must contain:

a. if the Sibanye Shareholder is an individual, a certified copy of his identity document and/or passport;

b. if the Sibanye Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and

c. a valid email address and/or facsimile number ("the contact address/number"). Voting on Shares will not be possible via electronic communication and accordingly Sibanye Shareholders participating electronically and wishing to vote their Shares at the General Meeting will need to be represented at the General Meeting, either in person, by proxy or by letter of representation.

The Company shall use its reasonable endeavours to notify on or before **09h00** on **Thursday, 14 January 2016**, each Sibanye Shareholder who has delivered a valid Electronic Notice, at its contact address/number, of the relevant details through which the Sibanye Shareholder can participate via electronic communication.

18. **ADR HOLDERS**

ADS holders are not required to be treated as holders of ordinary shares and do not have the rights of holders of ordinary shares. The Company, BNYM and the holders of ADSs are parties to the deposit agreement which is governed by New York State law.

The Company has informed BNYM of the record dates and the General Meeting. The Bank of New York Mellon, as depositary, registers and delivers ADSs on our behalf. The Company is requesting BNYM, which holds the ordinary shares underlying the ADSs, to seek the Company's ADS holders' instructions for the General Meeting. As a result, ADS holders may instruct the depositary to vote the ordinary shares underlying their own ADSs. The depositary establishes the ADS record date. The depositary has set the ADR record date for the General Meeting as Friday, 8 January 2016.

Because the Company has asked BNYM to seek ADS holders' instructions, BNYM will notify ADS holders of the upcoming vote and arrange to deliver the Company's voting materials and form of notice to them. BNYM then tries, as far as practicable, subject to South African law and the terms of the depositary agreement, to vote the ordinary shares as the ADS holders instruct. If ADS holders do not instruct BNYM to vote the ordinary shares underlying their ADSs, BNYM may under certain circumstances vote in accordance with the recommendation of the board. The Company cannot guarantee that ADS holders will receive this proxy material from BNYM in time to permit them to instruct BNYM to vote the shares underlying their ADSs. In addition, there may be other circumstances in which ADS holders may not be able to exercise voting rights. Furthermore, ADS holders can exercise their right to vote the ordinary shares underlying their ADSs by surrendering their ADSs to BNYM in order to withdraw the ordinary shares. Any ADS Holders who wish to participate in the General Meeting will need to surrender their ADSs to BNYM, withdraw the underlying Sibanye Shares from the custodian bank and be registered in the Register prior to the record date of Friday, 8 January 2016. ADS holders should note that BNYM may charge a fee for the surrender of your ADSs and the delivery of the underlying Sibanye Shares. The amount of any such charge should be confirmed directly with BNYM.

19. **FEES**

It is estimated that the total expenses relating to the Transaction will amount to approximately R62.7million (excluding VAT). Payment will be made to the following parties according to the amounts indicated.

JPMorgan Sponsor	Transaction sponsor fee	600 000
Qinisele Resources	Transaction advisor fees	37 640 000
ENS	Legal Fees	5 480 000
Linklaters LLP	Legal fees	95 000
HSBC	Financial advisor fees	17 835 000
Ince	Circular printing and posting	300 000
JSE	Documentation, inspection and ruling request fees	93 000
KPMG Inc.	Independent reporting accountants	500 000
Competition Commission	Merger filing fee	175 000
Total		62 718 000

Except as disclosed above, there have been no preliminary expenses incurred within the preceding three years.

20. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection at the office of the Sibanye Company Secretary during normal business hours at the registered office of Sibanye, at Libanon Business Park, 1 Hospital Street (Off Cedar Avenue), Libanon, Westonaria, 1780, from the date of this Circular up to and including 18 January 2016:

- Material contracts as set out in Annexure 8;
- The SPA;
- The Use and Access Agreement;
- The Parent Company Guarantee;
- A redacted version of the Concentrate Agreement;
- The competent person's report, the executive summary of which is set out in Annexure 6;
- The accountant's report on the historical financial information as set out in Annexure 2;
- The accountant's report on the *pro forma* financial information as set out in Annexure 4;
- A copy of Sibanye's annual results for the year ended 31 December 2014, 2013, and 2012 as well as the interim report for 30 June 2015;
- A signed copy of this Circular (available in English only);
- Memorandum of Incorporation of Sibanye;
- The letters of consent referred to in Section 15 above.

By order of the Board

SIBANYE GOLD LIMITED

Mr Cain Farrel
Company Secretary
Westonaria
South Africa

REGISTERED OFFICES OF SIBANYE:
Libanon Business Park
1 Hospital Street (Off Cedar Avenue)
Libanon
Westonaria
1780

HISTORICAL COMBINED FINANCIAL INFORMATION OF THE RUSTENBURG OPERATIONS FOR THE SIX MONTHS ENDED 30 JUNE 2015, AND YEARS ENDED 31 DECEMBER 2014, 31 DECEMBER 2013 AND 31 DECEMBER 2012

1.1 Combined statement of comprehensive income

	Notes	Six months ended 30 June 2015 (Reviewed) R	Year ended 31 December 2014 (Audited) R	Year ended 31 December 2013 (Reviewed) R	Year ended 31 December 2012 (Reviewed) R
Concentrate revenue	2	4 423 028 435	5 537 598 595	10 213 245 204	8 833 464 398
Other revenue	3	65 885 843	13 123 689	94 194 262	59 758 208
Cost of sales	4	(5 303 754 494)	(8 204 143 470)	(11 030 002 264)	(10 195 059 204)
Gross loss on metal sales		**(814 840 216)**	**(2 653 421 186)**	**(722 562 798)**	**(1 301 836 598)**
Other operating income	5	4 430 824	6 687 166	3 729 624	4 721 747
(Loss)/profit on scrapping of property, plant and equipment		(3 154 320)	945 350	(2 660 363 908)	(2 537 594 701)
Profit on sale of other mineral rights and investments		–	–	4 837 663	–
Restructuring, and care and maintenance costs	6	(84 009 346)	(554 882 141)	(991 937 452)	(3 172 649)
Operating loss		**(897 573 058)**	**(3 200 670 811)**	**(4 366 296 871)**	**(3 837 882 201)**
Interest expensed	7	(27 775 123)	(49 415 376)	(42 379 656)	(74 141 233)
Interest received		186	15 140	192	–
Loss before taxation		**(925 347 995)**	**(3 250 071 047)**	**(4 408 676 335)**	**(3 912 023 434)**
Taxation	8	259 097 439	910 019 893	1 234 429 374	1 095 366 561
Loss for the period		**(666 250 556)**	**(2 340 051 154)**	**(3 174 246 961)**	**(2 816 656 873)**
Other comprehensive income		–	–	–	–
Total comprehensive loss for the period		**(666 250 556)**	**(2 340 051 154)**	**(3 174 246 961)**	**(2 816 656 873)**

The historical combined financial information of the Rustenburg Operations has been prepared by the accounting staff of RPM, headed by Martin Poggiolini.

1.2 Combined statement of financial position

	Notes	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
ASSETS					
Non-current assets		**8 340 673 999**	**8 694 800 992**	**9 082 208 946**	**11 587 582 529**
Property, plant and equipment	10	7 002 912 501	6 594 543 911	7 109 679 433	9 216 033 892
Capital work-in-progress	11	1 069 996 599	1 839 687 320	1 743 093 765	2 167 393 587
Investments held by environmental trusts	12	267 764 899	260 569 761	229 435 748	204 155 050
Current assets		**3 209 229 179**	**3 501 676 095**	**2 877 511 099**	**2 745 149 247**
Inventories	13	86 749 734	181 397 704	169 423 612	176 017 385
Trade and other receivables	14	3 052 223 407	3 061 123 337	2 478 190 903	2 432 492 966
Amounts owing by group companies		2 618 433	2 618 433	13 151 595	3 980 330
Other assets	15	67 393 850	256 418 893	216 526 339	132 005 486
Cash and cash equivalents	16	243 755	117 728	218 650	653 080
Total assets		**11 549 903 178**	**12 196 477 087**	**11 959 720 045**	**14 332 731 776**
EQUITY AND LIABILITIES					
Owner's loan	17	9 041 075 113	11 446 810 085	11 380 842 646	13 481 548 319
Retained loss	17	(666 250 556)	(2 340 051 154)	(3 174 246 961)	(2 816 656 873)
Shareholders' equity		**8 374 824 557**	**9 106 758 931**	**8 206 595 685**	**10 664 891 446**
Non-current liabilities		**1 609 096 487**	**1 603 856 282**	**1 639 558 222**	**2 281 666 222**
Environmental obligations	18	624 294 701	596 519 578	525 242 046	470 035 520
Employee service benefit obligations	19	–	–	–	–
Deferred taxation	20	984 801 786	1 007 336 704	1 114 316 176	1 811 630 702
Current liabilities		**1 565 982 134**	**1 485 861 874**	**2 113 566 138**	**1 386 174 108**
Trade and other payables		632 864 266	524 036 970	1 151 893 349	527 563 741
Amounts owed to group companies		289 252 886	256 803 539	196 213 033	137 934 590
Other liabilities	21	643 864 982	705 021 365	765 459 756	720 675 777
Total equity and liabilities		**11 549 903 178**	**12 196 477 087**	**11 959 720 045**	**14 332 731 776**

1.3 Commentary

Since 2012 the Rustenburg Operations business and financial performance has been negatively impacted by restructuring activities, strike action and Section 54 stoppages. Over this period Khomanani 1, Khomanani 2 and Khuseleka 2 shafts were placed on care and maintenance and the Thembelani 2 Project and Rustenburg Ore Replacement Projects were suspended. This resulted in a reduction in employees by approximately 6 000 from redeployments into vacancies at other RPM operations, voluntary severance packages and early retirements. Notwithstanding the loss on scrapping of property, plant and equipment of R5.2 billion since 2012, the Rustenburg Operations cost of sales included R3.8 billion of depreciation over this period.

Year ended 31 December 2012: The Rustenburg Operations experienced a two month strike between September and November which negatively impacted business performance. The Thembelani 2 Project and Rustenburg Ore Replacement Projects were scrapped which resulted in a R2.5 billion loss on scrapping of property, plant and equipment.

Year ended 31 December 2013: The Rustenburg Operations were negatively impacted by two weeks of illegal industrial action between September and October. In August, blasting operations stopped at Khomanani 1, Khomanani 2 and Khuseleka 2 shafts and a R2.7 billion loss on scrapping of property, plant and equipment was recognised.

Year ended 31 December 2014: An unprecedented five-month strike, which impacted most of the PGM mining operations on the Western Limb of the Bushveld Complex, had a significant impact on the Rustenburg Operations business and financial performance. In 2014, 4E PGM production declined approximately 50% year-on-year.

Six months ended 30 June 2015: Operational performance stabilised in the six months ended 30 June 2015, with the Rustenburg Operations producing 402 300 4E PGM ounces. However, commodity prices reduced significantly during this period with the platinum price reducing approximately 20% year-on-year. While the drop in dollar commodity prices was partially offset by a weakening in the ZAR:USD exchange rate, this weakening in the exchange rate resulted in a negative impact on cost of sales.

1.4 **Notes to the combined statement of comprehensive income and statement of financial position**

The Rustenburg Operations do not constitute a separate legal entity. The mines comprising the Rustenburg Operations have, for the periods presented, been under the control of RPM. Consequently, this historical combined financial information may not necessarily be indicative of the financial performance that would have been achieved had the Rustenburg Operations operated independently for the Reporting Period.

The combined statement of comprehensive income and combined statement of financial position, together with associated notes, should be read in conjunction with the "basis of preparation of historical combined financial information" and accounting policies in note 1.

1. ACCOUNTING POLICIES

General information

The Rustenburg Operations is a division of RPM, a public company registered in South Africa. The Rustenburg Operations includes the Rustenburg mining and concentrating complex which comprises the Bathopele, Siphumelele (including Khomanani) and Thembelani (including Khuseleka) mining operations, two concentrating plants, an on-site chrome recovery plant and the WLTR Plant and associated surface infrastructure, and related employees, assets and liabilities.

The basis of preparation of historical combined financial information section describes how the historical combined financial information has been prepared in accordance with IFRS and interpretations as issued by the International Accounting Standards Board.

Instances where a departure has occurred from this reporting standard has been described in the basis of preparation of historical combined financial information section below. The directors of RPM are responsible for the preparation of the historical combined financial information and believe that the basis of preparation fairly presents the Rustenburg Operations' historical information in the circumstances set out below.

The historical combined financial information is prepared in accordance with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

Basis of preparation of historical combined financial information

The historical combined financial information, being the Rustenburg Operations recorded historical information, has been prepared in accordance with sections 8.1 to 8.13 of the JSE Listings Requirements. The basis of preparation describes how the financial information has been prepared in accordance with IFRS, except for the material departures from IFRS noted below.

IFRS do not provide for the preparation of historical combined financial information, and accordingly in preparing the historical combined financial information certain accounting conventions commonly used in the preparation of historical combined financial information for inclusion in circulars have been applied and accordingly there have been material departures from IFRS, which are discussed in more detail below. In all other respects, IFRS has been applied.

Historical combined financial information

The Rustenburg Operations do not constitute a separate legal entity. The historical combined financial information of the Rustenburg Operations for the Reporting Period have been prepared by aggregating the historical financial information relating to the business that will be disposed of (i.e. the Rustenburg Operations) to Sibanye Rustenburg Platinum Mines. This historical combined financial information has previously been reported as part of the annual financial statements of RPM for the Reporting Period, which were prepared in accordance with IFRS.

The historical combined financial information has been prepared with the objective of presenting the results and net assets of the Rustenburg Operations for the Reporting Period. The mines comprising the Rustenburg Operations have, for the periods presented, been under the control of RPM. Consequently, this historical combined financial information may not necessarily be indicative of the financial performance that would have been achieved, had the Rustenburg Operations operated independently for the Reporting Period. Furthermore, it may not be indicative of the financial results in future periods.

Share capital and retained income

The Rustenburg Operations do not constitute a separate legal entity, and therefore, it is not meaningful to disclose an historical analysis of share capital and retained income balances. The total equity attributable to owners of the Rustenburg Operations as disclosed in the historical combined financial information represents the cumulative investment of RPM in the Rustenburg Operations.

EPS, diluted EPS, HEPS, NAV per share and TNAV per share

As indicated above, it is not considered meaningful to disclose a historical analysis of share capital, therefore, it is not meaningful to disclose a historical analysis of various earnings per share metrics.

Statement of changes in equity

The historical combined financial information does not include a statement of changes in equity, as the Rustenburg Operations do not constitute a separate legal entity and it is not considered meaningful to disclose a historical analysis of share capital and retained income balances.

Statement of cash flows

The historical combined financial information does not include a statement of cash flows, as the Rustenburg Operations did not operate its own bank account.

Segmental information

The historical combined financial information for the Rustenburg Operations does not include specific segmental information since the Rustenburg Operations as a whole comprises one operating segment within the AAP group consolidated financial results.

IAS 24 — Related Party Disclosures

The Rustenburg Operations do not constitute a separate legal entity and there are therefore numerous transactions between the Rustenburg Operations and other divisions of RPM due to it not operating its own bank accounts or receiving centralised services. Therefore, we have not disclosed transactions and balances owing to other divisions of RPM as related parties as these are not considered to be related parties.

Key management personnel

Throughout the Reporting Period, those persons having the authority and responsibility for planning, directing and controlling the activities of the Rustenburg Operations were represented by AAP and RPM key management personnel as the Rustenburg Operations' activities were managed as part of RPM. For this reason it is not relevant to disclose historical financial information relating to those individuals who will be the key management personnel of the Rustenburg Operations post acquisition by Sibanye Rustenburg Platinum Mines.

Employee share ownership plan

The Rustenburg Operations has not historically existed as a stand-alone legal entity and as such, no share ownership plans existed over any securities of the Rustenburg Operations. Amounts have been included in note 4 Cost of sales: Other indirect costs in this historical combined financial information reflective of amounts previously allocated by RPM to the Rustenburg Operation for employees which formed part of the AAP group employee share option plan.

Intercompany transactions and funding

All transactions between the Rustenburg Operations and the rest of the AAP group, which have historically been eliminated in the consolidated financial statements of RPM and AAP, have now been presented either as amounts owing to or receivable from group companies as though they were with an external related party. These transactions are presented in note 25 Related party transactions.

Transactions and balances between the Rustenburg Operations and other divisions of RPM have been reflected as equity in the historical combined financial information. As the Rustenburg Operations is a division of RPM, it did not have its own cash balances and borrowings. Therefore, the balances with the RPM head office (which are included above) are representative of the net funding of the Rustenburg Operations for the Reporting Period and reflected in equity as it represents the cumulative investment of RPM in the Rustenburg Operations.

Concentrate revenue

As the Rustenburg Operations did not operate as a separate legal entity, attributing revenue from the sale of refined metals by the Rustenburg Operations to RPM would not provide meaningful information as this is not indicative of the revenue that the Rustenburg Operations would have generated had it been a stand-alone entity. The Rustenburg Operations would have only earned revenue from the sale of concentrate on notional terms equivalent to those of the Concentrate Agreement assuming historical market-related payability for the contained metals.

Revenue from the sale of concentrate on notional terms equivalent to those of the Concentrate Agreement is reflected based on the assumption that this revenue would have been recognised when the risk and rewards of ownership would have transferred to RPM as the buyer of the concentrate, in terms of IFRS.

Concentrate receivable (included in trade and other receivables)

As a result of applying the usual sale of concentrate principles on notional terms equivalent to those of the Concentrate Agreement to the Rustenburg Operations, this would also result in a concentrate receivable from RPM, the buyer of the concentrate. The concentrate receivable was calculated based on the last four months of concentrate revenue before the end of the Reporting Period, as the average period of the pipeline receivable is four months in similar sale of concentrate agreements.

Centralised costs (included in sundry on-mine costs)

The Rustenburg Operations did not previously operate independently, with the result that it benefited from centralised functions throughout the Reporting Period. The historical combined financial information for the Rustenburg Operations includes the allocated central costs from RPM relating to certain central services which were recharged to the Rustenburg Operations. These include centralised costs for Anglo Global Shared Services for accounting and employee service related transactional work, for supply chain and information management services, as well as for certain training costs.

Other indirect costs (included in cost of sales)

Other indirect costs include various costs incurred by the AAP group centrally, on behalf of all the operations in the AAP group. These include, *inter alia,* corporate costs, share-based payment charges, royalty charges, social and development spend, research and exploration costs and transport of metal costs.

All of these other indirect costs were allocated to the various operations (including the Rustenburg Operations) using various methods applicable to the type of costs and are consistent with those used in the segmental reporting for AAP in its group consolidated annual financial statements.

Market development and promotional expenditure

No market development and promotional expenditure costs have been included in the operating profit or loss as the Rustenburg Operations did not engage in any of these activities in the Reporting Period.

Income tax expense

Income tax is calculated at a legal entity level for RPM. Ordinarily, the allocation of this income tax charge to the Rustenburg Operations would not be meaningful as it is not necessarily representative of the tax charges that would have been reported had the Rustenburg Operations operated as a separate legal entity as RPM is subject to certain income tax provisions that would not apply to the Rustenburg Operations. Since the Rustenburg Operations have no significant permanent differences, the income statement tax expense to be attributed to the Rustenburg Operations has been calculated as 28% of the profit or loss before tax for the Rustenburg Operations. This was all treated as deferred tax due to the difficulty in allocating this between current and deferred taxation.

Deferred tax

Deferred tax is calculated at a RPM statutory level applying tax rules and accounting principles that apply at that level which will not result in the same balances had the Rustenburg Operations been a stand-alone entity. The total deferred tax balance at the statutory level was allocated to the Rustenburg Operations using the significant carrying values on the statement of financial position that attract deferred tax, including:

- property, plant and equipment;
- capital work in progress;
- environmental obligations;
- other liabilities.

These deferred tax liabilities may not be fully representative of the balances that would have been recognised had the Rustenburg Operations been operating as a separate entity in the Reporting Period.

VAT receivable (included in other current assets)

VAT is payable at a statutory level. VAT on transactions is not recorded in each operation but centrally for RPM. The total RPM net VAT receivable was allocated to the Rustenburg Operations based on its vatable expenses and capital expenditure in the last month of the respective year as a proportion of the total vatable expenses and capital expenditure in the last month of the respective year for RPM. The vatable expenses used to determine the allocation are primarily cash on mine costs, excluding labour and other obvious non-vatable items.

The output VAT relating to the sales is accounted for at a RPM level only.

Cash-generating unit

Due to the vertically integrated operations of the AAP group and the fact that there is no active market for the AAP group's intermediate products, the AAP group's operations as a whole constitute the smallest cash-generating unit. An impairment review at an AAP group level is not necessarily reflective of the impairment review that a stand-alone entity may have performed.

Critical accounting judgements

In preparing the historical combined financial information, management have made certain estimates and assumptions that materially affect the reported amounts of assets and liabilities at the date of the historical combined financial information, and the reported amounts of revenue and expenses during the period and related disclosures. The reported results may vary materiality if alternative assumptions are applied.

The following accounting policies have been identified as being particularly complex or involving subjective judgements or assessments:

Decommissioning and rehabilitation obligations

The Rustenburg Operations' mining and exploration activities are subject to various laws and regulations governing the protection of the environment. Management estimates, with the assistance of independent experts, the Rustenburg Operations' expected total spend for the rehabilitation, management and remediation of negative environmental impacts at closure at the end of the lives of the mines and processing operations. The estimation of future costs of environmental obligations relating to decommissioning and rehabilitation is particularly complex and requires management to make estimates, assumptions and judgements relating to the future. These estimates are dependent on a number of factors including assumptions around environmental legislation, life-of-mine estimates and discount rates.

Asset lives

The Rustenburg Operations' assets, excluding mining development and infrastructure assets, are depreciated over their expected useful lives which are reviewed annually to ensure that the useful lives continue to be appropriate. In assessing useful lives, technological innovation, product life cycles, physical condition of the assets and maintenance programmes are taken into consideration.

Mining development and infrastructure assets are depreciated on a unit-of-production basis. The calculation of the unit-of-production depreciation is based on forecasted production which is calculated using numerous assumptions. Any changes in these assumptions may have an impact on the calculation.

Significant accounting policies

The historical combined financial information is prepared on the historical cost basis except for certain financial instruments and liabilities that are stated at fair value. Significant details of the Rustenburg Operations' historical combined financial information accounting policies are consistent with those applied in the previous annual financial statements of RPM, except as noted above in the "Basis of preparation of historical combined financial information" section.

Property, plant and equipment
Mining

Mine development and infrastructure costs are capitalised to capital work-in-progress and transferred to mining property, plant and equipment when the mining venture reaches commercial production. Capitalised mine development and infrastructure costs include expenditure incurred to develop new mining operations and to expand the capacity of the mine. Costs include interest capitalised during the construction period where qualifying expenditure is financed by borrowings and the discounted amount of future decommissioning costs. Items of mine property, plant and equipment, excluding capitalised mine development and infrastructure costs, are depreciated on a straight-line basis over their expected useful lives. Capitalised mine development and infrastructure costs are depreciated on a unit-of-production basis. Depreciation is first charged on mining assets from the date on which they are available for use.

Items of property, plant and equipment that are withdrawn from use, or have no reasonable prospect of being recovered through use or sale, are regularly identified and written off. Residual values and useful economic lives are reviewed at least annually and adjusted if and where appropriate.

Non-mining

Non-mining assets are measured at historical cost less accumulated depreciation. Depreciation is charged on the straight-line basis over the useful lives of these assets. Residual values and useful economic lives are reviewed at least annually and adjusted if and where appropriate.

Impairment

An impairment review of property, plant and equipment is carried out when there is an indication that these may be impaired by comparing the carrying amount thereof to its recoverable amount. The AAP group's operations as a whole constitute the smallest cash-generating unit. The recoverable amount thereof is assessed using the AAP group's market capitalisation adjusted for the carrying amounts of financial assets and investments in associates that are tested for impairment separately. Where the recoverable amount is less than the carrying amount, the impairment charge is included in other net expenditure in order to reduce the carrying amount of property, plant and equipment to its recoverable amount. The adjusted carrying amount is depreciated on a straight-line basis over the remaining useful life of property, plant and equipment.

Leases

A finance lease transfers substantially all the risks and rewards of ownership of an asset to the Rustenburg Operations. Assets subject to finance leases are capitalised as property, plant and equipment at the fair value of the leased asset at inception of the lease, with the related lease obligation recognised at the same amount. Capitalised leased assets are depreciated over their estimated useful lives. Finance lease payments are allocated between finance costs and the capital repayments, using the effective interest method.

Minimum lease payments on operating leases are charged against operating profit on a straight-line basis over the lease term.

Inventories

Stores and materials consist of consumable stores and are valued at cost on the first-in, first-out basis. Obsolete and redundant items are written off to operating costs. Consumable stores inventory is largely recorded in the Supply Chain division of RPM. The inventory balances allocated to the Rustenburg Operations represent specific stores that service the Rustenburg Operations.

Provisions

A provision is recognised when there is a legal or constructive obligation as a result of a past event for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity. The Rustenburg Operations' financial instruments consist primarily of the following financial assets: investments held by environmental trusts, cash and cash equivalents, trade and other receivables, amounts owing by group companies and the following financial liabilities: trade and other payables and amounts owed to group companies.

Fair value

Where financial instruments are recognised at fair value, the instruments are measured at the amount for which an asset could be sold, or an amount paid to transfer a liability, in an orderly transaction in the principal or most advantageous market, at the measurement date under current market conditions regardless of whether this price is directly observable or estimated using a valuation technique. Fair values have been determined as follows:

- Where market prices are available, these have been used.
- Where there are no market prices available, fair values have been determined using valuation techniques incorporating observable market inputs or discounting expected cash flows at market rates.

The fair value of the trade and other receivables, cash and cash equivalents, amounts owing by group companies, trade and other payables and amounts owed to group companies approximates their carrying amount due to the short maturity period of these instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or expense over the period of the instrument.

Effectively, this method determines the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

Financial assets

The Rustenburg Operations classifies financial assets into the following categories:

- FVTPL.
- Loans and receivables.

The classification of the financial assets is dependent on the purpose and characteristics of the particular financial assets and is determined at the date of initial recognition. Management reassesses the classification of financial assets on a bi-annual basis.

Financial assets at fair value through profit and loss

Financial assets are classified as at FVTPL when the asset is either held-for-trading or is a derivative that does not satisfy the criteria for hedge accounting or is designated at FVTPL.

A financial asset is designated at FVTPL on initial recognition if this designation provides more useful information because:

- it eliminates or significantly reduces a measurement or recognition inconsistency (i.e. an accounting mismatch); or
- the financial asset is part of a group of financial assets, financial liabilities or both, that is managed and its performance evaluated on a fair value basis in accordance with a documented risk/investment management strategy, and information regarding this grouping is reported internally to key management on this basis.

Financial assets at FVTPL are recognised at fair value. Any subsequent gains or losses are recognised in profit or loss.

The concentrate receivable has been designated at FVTPL. The reason for this designation is that this concentrate receivable from RPM is based on concentrate sold to RPM which is priced three months into the future. The pricing is thus dependent on commodity and exchange rate movements in the interim period. Consequently, the asset is initially reflected at fair value. This asset is then remeasured on a monthly basis based on the movement in the forward curves of commodity prices and exchange rates. Any gains/losses on the remeasurements are reflected in revenue.

In addition, the investment held by environmental trusts is designated at FVTPL as these assets are managed on this basis.

Loans and receivables

Financial assets that are non-derivative with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are measured at amortised cost using the effective interest method. Any subsequent impairment is included in the determination of other net income/expenditure.

Trade and other receivables, amounts owing by group companies and cash and cash equivalents with short-term maturities have been classified as loans and receivables. Loans and receivables are considered as current if their maturity is within a year, otherwise they are reflected in non-current assets.

Classification between debt and equity

Other than balances between the Rustenburg Operations and RPM, as noted above, debt and equity instruments are classified according to the substance of the contractual arrangements entered into.

Equity instruments

An equity instrument represents a contract that evidences a residual interest in the net assets of an entity. Equity instruments issued by RPM are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the liability is either incurred for trading or is a derivative that does not satisfy the criteria for hedge accounting or is designated at FVTPL.

A financial liability is designated at FVTPL on initial recognition if this designation provides more useful information because:

- it eliminates or significantly reduces a measurement or recognition inconsistency (i.e. an accounting mismatch); or
- the financial liability forms part of a group of financial assets, financial liabilities or both, that is managed and its performance evaluated on a fair value basis in accordance with a documented risk/investment management strategy, and information regarding this grouping is reported internally to key management on this basis.

Financial liabilities at FVTPL are recognised at fair value. Any subsequent gains or losses are recognised in profit or loss.

Other financial liabilities

Other financial liabilities are recorded initially at the fair value of the consideration received, which is cost net of any issue costs associated with the borrowing. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Amortised cost is calculated taking into account any issue costs and any discount or premium on settlement.

Trade and other payables and amounts owed to group companies have been classified as other financial liabilities.

Loan commitments

Loan commitments provided at below market interest rates are measured at initial recognition at their fair value and, if not designated at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation in terms of the contract; or
- the amount initially recognised less the cumulative amortisation recognised.

Environmental rehabilitation provisions

Estimated long-term environmental obligations, comprising pollution control, rehabilitation and mine closure, are based on the Rustenburg Operations' environmental management plans in compliance with current technology, environmental and regulatory requirements.

Decommissioning costs

When the asset reaches commercial production an estimate is made of future decommissioning costs. The discounted amount of estimated decommissioning costs that embody future economic benefits is capitalised as a decommissioning asset and concomitant provisions are raised. These estimates are reviewed annually and discounted using a pre-tax risk-free rate that reflects current market assessments of the time value of money. The increase in decommissioning provisions, due to the passage of time, is charged to interest paid. All other changes in the carrying amount of the provision subsequent to initial recognition are included in the determination of the carrying amount of the decommissioning asset. Decommissioning assets are amortised on a straight-line basis over the lesser of 30 years or the expected benefit period.

Restoration costs

Changes in the discounted amount of estimated restoration costs are charged to profit or loss during the period in which such changes occur. Estimated restoration costs are reviewed annually and discounted using a pre-tax risk-free rate that reflects current market assessments of the time value of money. The increase in restoration provisions, owing to the passage of time, is charged to interest paid. All other changes in the carrying amount of the provision subsequent to initial recognition are included in profit or loss for the period in which they occur.

The time value of money adjustment on the environmental rehabilitation provisions has been disclosed as part of interest paid in the statement of comprehensive income.

Ongoing rehabilitation costs

Expenditure on ongoing rehabilitation costs is recognised as an expense when incurred.

Employees' service benefit obligations

Short-term employee benefits

Remuneration paid to employees in respect of services rendered during a reporting period is recognised as an expense in that reporting period. Accruals are made for accumulated leave and are measured at the amount that the Rustenburg Operations expects to pay when the leave is used.

Termination benefits

Termination benefits are charged against income when the Rustenburg Operations is demonstrably committed to terminating the employment of an employee or group of employees before their normal retirement date.

Other revenue

Other revenue represents revenue on the sale of chrome produced by the Rustenburg Operations to third parties. Revenue from chrome is recognised when the risks and rewards of ownership are transferred to the buyer.

Interest received

Interest is recognised on a time proportion basis, which takes into account the effective yield on the asset over the period it is expected to be held.

Foreign currencies

The South African rand is the functional currency of the Rustenburg Operations and this historical combined financial information is accordingly presented in South African rand.

Foreign currency transactions are recorded at the spot rate of exchange on the transaction date. At the end of the period, monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange ruling at the reporting date. Non-monetary assets and liabilities carried at fair value are translated at the rate of exchange ruling at the date of determining the fair value. Non-monetary items that are denominated in foreign currencies and measured at historical cost are not retranslated. Foreign exchange differences arising on monetary items are reflected in profit or loss except in limited circumstances.

		Six months ended 30 June 2015 (Reviewed) R	Year ended 31 December 2014 (Audited) R	Year ended 31 December 2013 (Reviewed) R	Year ended 31 December 2012 (Reviewed) R
2.	**CONCENTRATE REVENUE**				
	The sales revenue comprises the sale of metals in concentrate to RPM:				
	Concentrate revenue	4 423 028 435	5 537 598 595	10 213 245 204	8 833 464 398
3.	**OTHER REVENUE**				
	Other revenue comprises chrome sales to customers:				
	Other revenue	65 885 843	13 123 689	94 194 262	59 758 208
4.	**COST OF SALES**				
	On-mine				
	Cash operating costs	4 318 112 099	6 520 730 040	8 783 801 286	8 286 744 468
	Depreciation	622 507 921	1 080 619 064	1 031 835 324	1 042 695 972
	Treatment and refining				
	Cash operating costs	27 502 656	40 456 618	47 498 103	50 941 734
	Depreciation	6 976 782	13 953 565	13 876 251	7 671 194
	Royalties expense	–	–	349 327 473	–
	Other costs	51 355 747	6 043 672	45 503 377	34 510 910
	Other indirect costs	277 299 289	542 340 511	758 160 450	772 494 926
		5 303 754 494	**8 204 143 470**	**11 030 002 264**	**10 195 059 204**
5.	**OTHER OPERATING INCOME**				
	Settlement discounts	4 430 824	6 687 166	4 928 236	5 205 625
	Losses on foreign exchange transactions	–	–	(900 861)	(489 818)
	Other (expenses)/ income	–	–	(297 751)	5 940
		4 430 824	**6 687 166**	**3 729 624**	**4 721 747**
6.	**RESTRUCTURING, AND CARE AND MAINTENANCE COSTS**				
	Restructuring related costs [1]	27 280 640	368 242 672	831 932 084	–
	Care and maintenance costs [2]	56 728 706	186 639 469	160 005 368	3 172 649
		84 009 346	**554 882 141**	**991 937 452**	**3 172 649**

[1] Restructuring related costs consists mainly of retrenchment costs.

[2] Care and maintenance costs incurred relate mainly to costs to keep shafts on care and maintenance e.g. security, property rates and tax.

7.	**INTEREST EXPENSED**				
	Interest expensed comprises mainly the time value of money adjustment on environmental obligations	27 775 123	49 415 376	42 379 656	74 141 233
8.	**TAXATION**				
	Comprising:				
	South African normal taxation at a standard rate of 28%				
	– Deferred taxation	259 097 439	910 019 893	1 234 429 374	1 095 366 561

		Six months ended 30 June 2015 (Reviewed) R	Year ended 31 December 2014 (Audited) R	Year ended 31 December 2013 (Reviewed) R	Year ended 31 December 2012 (Reviewed) R
9.	**RECONCILIATION BETWEEN LOSS AND HEADLINE LOSS FOR THE PERIOD**				
	Loss for the period	(666 250 556)	(2 340 051 154)	(3 174 246 961)	(2 816 656 873)
	Adjustments				
	Net profit on disposal of property, plant and equipment	(3 544 895)	(622 951)	–	–
	Tax effect thereon	992 571	174 426	–	–
	Gain on revaluation of investments	–	–	(4 837 663)	–
	Tax effect thereon	–	–	1 354 546	–
	Loss/(profit) on scrapping of property, plant and equipment	3 154 320	(945 350)	2 660 363 908	2 537 594 701
	Tax effect thereon	(883 210)	264 698	(744 901 894)	(710 526 516)
	Headline loss	**(666 531 770)**	**(2 341 180 331)**	**(1 262 268 064)**	**(989 588 688)**
10.	**PROPERTY, PLANT AND EQUIPMENT**				
	For a detailed analysis of the main categories of property, plant and equipment refer to Annexure A.				
	Cost				
	Opening balance	14 679 341 898	14 116 466 535	16 484 059 170	14 945 313 849
	Transfer from capital work-in-progress	879 558 428	457 276 165	814 995 266	1 297 568 666
	Additions at cost	110 602 018	110 233 344	188 787 704	178 498 974
	Additions to decommissioning asset	–	28 944 205	791 715	32 863 958
	Disposals/scrapping of assets	(8 007 608)	(39 168 843)	(3 388 736 308)	(49 588 774)
	Intercompany transfers	54 530 230	650 824	16 568 988	72 080 984
	Other	359 302	4 939 668	–	7 321 513
	Closing balance	**15 716 384 268**	**14 679 341 898**	**14 116 466 535**	**16 484 059 170**
	Accumulated depreciation				
	Opening balance	(8 084 797 987)	(7 006 787 102)	(7 268 025 278)	(6 228 504 646)
	Charge for the year	(633 699 038)	(1 102 613 308)	(1 082 629 778)	(1 086 935 558)
	Disposals/scrapping of assets	5 052 789	25 026 045	1 353 630 319	48 282 313
	Intercompany transfers	(27 531)	(423 622)	(9 762 365)	(867 387)
	Closing balance	**(8 713 471 767)**	**(8 084 797 987)**	**(7 006 787 102)**	**(7 268 025 278)**
	Carrying amount (Annexure A)	7 002 912 501	6 594 543 911	7 109 679 433	9 216 033 892
11.	**CAPITAL WORK-IN-PROGRESS**				
	Opening balance	1 839 687 320	1 743 093 765	2 167 393 587	4 674 687 330
	Additions at cost	113 022 027	553 592 359	851 589 705	1 456 505 171
	Transfer to property, plant and equipment	(879 558 428)	(457 276 165)	(814 995 266)	(1 297 568 666)
	Disposals/scrapping of assets	–	–	(460 894 261)	(2 666 230 248)
	Other	(3 154 320)	277 361	–	–
		1 069 996 599	**1 839 687 320**	**1 743 093 765**	**2 167 393 587**
12.	**INVESTMENTS HELD BY ENVIRONMENTAL TRUSTS**				
	Investments held by environmental trusts [1] comprise:				
	Financial instruments designated as fair value through profit or loss	267 764 899	260 569 761	229 435 748	204 155 050

[1] Investments held by environmental trusts are independently managed with exposure to various asset classes including cash, equity and bonds.

	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
13. INVENTORIES				
Stores and materials at cost	97 072 752	186 430 588	172 480 815	178 148 354
Less: obsolescence provision	(10 323 018)	(5 032 884)	(3 057 203)	(2 130 969)
	86 749 734	**181 397 704**	**169 423 612**	**176 017 385**
14. TRADE AND OTHER RECEIVABLES				
Receivable for sale of concentrate to RPM	3 038 264 495	2 895 820 682	2 178 195 282	2 192 135 633
Other receivables	13 958 912	165 302 655	299 995 621	240 357 333
	3 052 223 407	**3 061 123 337**	**2 478 190 903**	**2 432 492 966**
15. OTHER ASSETS				
VAT receivable	58 152 121	118 633 994	157 007 607	106 877 659
Other	9 241 729	137 784 899	59 518 732	25 127 827
	67 393 850	**256 418 893**	**216 526 339**	**132 005 486**

16. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise petty cash.

17. **SHAREHOLDERS' EQUITY**

The equity balance includes the value of the reallocation of centralised balances made.
The retained earnings are cleared through the equity balance on a yearly basis.

	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
18. ENVIRONMENTAL OBLIGATIONS				
Provision for decommissioning costs				
Opening balance	403 389 843	341 573 652	312 931 385	232 531 658
Discounted amount for decommissioning of expansion projects (note 10)	–	28 944 205	791 715	32 863 958
Charged to interest expensed (note 7)	18 839 564	32 871 986	27 850 552	47 535 769
Closing balance	**422 229 407**	**403 389 843**	**341 573 652**	**312 931 385**
Provision for restoration costs				
Opening balance	193 129 735	183 668 394	157 104 135	121 366 090
Discounted amount for decrease in restoration obligation charged to the combined statement of comprehensive income	–	(7 082 049)	12 035 190	9 132 637
Charged to interest expensed (note 7)	8 935 559	16 543 390	14 529 069	26 605 408
Closing balance	**202 065 294**	**193 129 735**	**183 668 394**	**157 104 135**
Environmental obligations before funding	624 294 701	596 519 578	525 242 046	470 035 520
Environmental obligations before funding	624 294 701	596 519 578	525 242 046	470 035 520
Less: Environmental trusts (note 12)	(267 764 899)	(260 569 761)	(229 435 748)	(204 155 050)
Unfunded environmental obligations	**356 529 802**	**335 949 817**	**295 806 298**	**265 880 470**
Real pre-tax risk-free discount rate	5%	5%	4%	4%
Undiscounted amount of environmental obligations in real terms	978 319 051	978 319 051	896 742 360	834 380 353

19. **EMPLOYEE SERVICE BENEFIT OBLIGATIONS**

Although there are employees that are entitled to post-retirement medical aid in the Rustenburg Operations, the cost of this obligation will be borne by RPM and, therefore, no liability for this has been allocated to the Rustenburg Operations for purposes of the combined historical financial information.

	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
20. **DEFERRED TAXATION**				
The deferred taxation balance arises mainly from:				
– Property, plant and equipment				
– Capital work-in-progress				
– Environmental obligations				
– Other liabilities				
Deferred taxation	984 801 786	1 007 336 704	1 114 316 176	1 811 630 702
21. **OTHER LIABILITIES**				
Leave pay accrual	462 152 229	448 739 218	430 367 545	516 235 685
Accrual for future sales to International Ferro Metals (SA)	106 370 777	117 600 825	130 345 813	148 539 363
Other accruals	75 341 976	138 681 322	204 746 398	55 900 729
	643 864 982	**705 021 365**	**765 459 756**	**720 675 777**

The accrual for future sales to International Ferro Metals (SA) relates to an agreement between International Ferro Metals (SA) (Pty) Ltd (referred to as IFM-SA) and RPM where IFM-SA funded the building of a chrome plant in return for a fixed supply of chrome for an initial 10-year period.

22. **CONTINGENT LIABILITIES**

The Rustenburg Operations are subject to various legal claims which are individually immaterial and are not expected, in aggregate, to result in material losses.

	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
23. **COMMITMENTS AND GUARANTEES**				
Capital commitments				
– Contracted for	214 559 004	193 178 879	412 164 000	550 530 000

Guarantees

RPM on behalf of the Rustenburg Operations has provided the Department of Mineral Resources with guarantees that cover the difference between closure cost and amounts held in the environmental trusts. At 30 June 2015, these guarantees amounted to R736 million (31 December 2014: R675 million, 31 December 2013: R675 million and 31 December 2012: R755 million).

24. **FINANCIAL INSTRUMENTS**

Categories of financial instruments

	Loans and receivables R	FVTPL/ Held for trading R	Available for sale R	Total R	Fair value R
30 June 2015 (Reviewed)					
Financial assets					
Investments held by environmental trusts	–	267 764 899	–	267 764 899	267 764 899
Trade and other receivables	13 958 912	3 038 264 495	–	3 052 223 407	3 052 223 407
Amounts owing by group companies	2 618 433	–	–	2 618 433	2 618 433
Cash and cash equivalents	243 755	–	–	243 755	243 755
	16 821 100	**3 306 029 394**	**–**	**3 322 850 494**	**3 322 850 494**
31 December 2014 (Audited)					
Financial assets					
Investments held by environmental trusts	–	260 569 761	–	260 569 761	260 569 761
Trade and other receivables	165 302 655	2 895 820 682	–	3 061 123 337	3 061 123 337
Amounts owing by group companies	2 618 433	–	–	2 618 433	2 618 433
Cash and cash equivalents	117 728	–	–	117 728	117 728
	168 038 816	**3 156 390 443**	**–**	**3 324 429 259**	**3 324 429 259**
31 December 2013 (Reviewed)					
Financial assets					
Investments held by environmental trusts	–	229 435 748	–	229 435 748	229 435 748
Trade and other receivables	299 995 621	2 178 195 282	–	2 478 190 903	2 478 190 903
Amounts owing by group companies	13 151 595	–	–	13 151 595	13 151 595
Cash and cash equivalents	218 650	–	–	218 650	218 650
	313 365 866	**2 407 631 030**	**–**	**2 720 996 896**	**2 720 996 896**
31 December 2012 (Reviewed)					
Financial assets					
Investments held by environmental trusts	–	204 155 050	–	204 155 050	204 155 050
Trade and other receivables	240 357 333	2 192 135 633	–	2 432 492 966	2 432 492 966
Amounts owing by group companies	3 980 330	–	–	3 980 330	3 980 330
Cash and cash equivalents	653 080	–	–	653 080	653 080
	244 990 743	**2 396 290 683**	**–**	**2 641 281 426**	**2 641 281 426**

	FVTPL R	Other financial liabilities R	Total R	Fair value R
30 June 2015 (Reviewed)				
Financial liabilities				
Trade and other payables	–	632 864 266	632 864 266	632 864 266
Amounts owed to group companies	–	289 252 886	289 252 886	289 252 886
	–	**922 117 152**	**922 117 152**	**922 117 152**
31 December 2014 (Audited)				
Financial liabilities				
Trade and other payables	–	524 036 970	524 036 970	524 036 970
Amounts owed to group companies	–	256 803 539	256 803 539	256 803 539
	–	**780 840 509**	**780 840 509**	**780 840 509**
31 December 2013 (Reviewed)				
Financial liabilities				
Trade and other payables	–	1 151 893 349	1 151 893 349	1 151 893 349
Amounts owed to group companies	–	196 213 033	196 213 033	196 213 033
	–	**1 348 106 382**	**1 348 106 382**	**1 348 106 382**
31 December 2012 (Reviewed)				
Financial liabilities				
Trade and other payables	–	527 563 741	527 563 741	527 563 741
Amounts owed to group companies	–	137 934 590	137 934 590	137 934 590
	–	**665 498 331**	**665 498 331**	**665 498 331**

Fair value disclosures

The following is an analysis of the financial instruments that are measured subsequent to initial recognition at fair value. They are grouped into levels 1 to 3 based on the extent to which the fair value is observable. The levels are classified as follows:

- Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities.
- Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs.
- Level 3 – fair value is determined on inputs not based on observable market data.

	Carrying value R	Fair value Level 1 R	Level 2 R	Level 3 R
30 June 2015 (Reviewed)				
Financial assets through profit and loss				
Investments held by environmental trusts	267 764 899	267 764 899	–	–
Trade and other receivables	3 038 264 495	–	3 038 264 495	–
	3 306 029 394	**267 764 899**	**3 038 264 495**	**–**
31 December 2014 (Audited)				
Financial assets through profit and loss				
Investments held by environmental trusts	260 569 761	260 569 761	–	–
Trade and other receivables	2 895 820 682	–	2 895 820 682	–
	3 156 390 443	**260 569 761**	**2 895 820 682**	**–**
31 December 2013 (Reviewed)				
Financial assets through profit and loss				
Investments held by environmental trusts	229 435 748	229 435 748	–	–
Trade and other receivables	2 178 195 282	–	2 178 195 282	–
	2 407 631 030	**229 435 748**	**2 178 195 282**	**–**
31 December 2012 (Reviewed)				
Financial assets through profit and loss				
Investments held by environmental trusts	204 155 050	204 155 050	–	–
Trade and other receivables	2 192 135 633	–	2 192 135 633	–
	2 396 290 683	**204 155 050**	**2 192 135 633**	**–**

There were no transfers between the levels during the year.

Valuation techniques used to derive Level 2 fair values

In the current financial year Level 2 fair values for trade and other receivables relate specifically to sale of concentrate trade receivables (on notional terms equivalent to those of the Concentrate Agreement) which are priced in US Dollars. The settlement of the sale of concentrate trade receivables takes place on average three to four months after the delivery of concentrate has taken place. The fair value is a function of the expected ZAR:USD exchange rate and metal prices in the month preceding the month in which settlement takes place.

Financial risk management

The Rustenburg Operations do not trade in financial instruments but, in the normal course of its operations, the business is primarily exposed to currency, metal price, credit, and liquidity risks. In order to manage these risks, the business may enter into transactions that make use of financial instruments. The Rustenburg Operations benefit from the comprehensive risk management process developed by AAP to facilitate, control and monitor these risks. This process includes formal documentation of policies, including limits, controls and reporting structures.

Managing risk in the AAP group

The Executive Committee and the board of directors of AAP and RPM are responsible for risk management activities in respect of the Rustenburg Operations. Overall limits have been set by the boards, while the Executive Committee is responsible for setting individual limits. In order to ensure adherence to these limits, activities are marked to market on a daily basis and reported to the Anglo American plc Group Treasury. The Group Treasury is responsible for monitoring currency, interest rate and liquidity risk within the limits and constraints set by the board.

Currency risk

The carrying amount of foreign currency-denominated monetary assets and liabilities is as follows:

	South African Rand R	US dollar R	Other R	Total R
30 June 2015 (Reviewed)				
Financial assets				
Investments held by environmental trusts	267 764 899	–	–	267 764 899
Trade and other receivables	13 958 912	3 038 264 495	–	3 052 223 407
Amounts owing by group companies	2 618 433	–	–	2 618 433
Cash and cash equivalents	243 755	–	–	243 755
	284 585 999	**3 038 264 495**	**–**	**3 322 850 494**
Financial liabilities				
Trade and other payables	632 864 266	–	–	632 864 266
Amounts owed to group companies	289 252 886	–	–	289 252 886
	922 117 152	**–**	**–**	**922 117 152**
31 December 2014 (Audited)				
Financial assets				
Investments held by environmental trusts	260 569 761	–	–	260 569 761
Trade and other receivables	165 302 655	2 895 820 682	–	3 061 123 337
Amounts owing by group companies	2 618 433	–	–	2 618 433
Cash and cash equivalents	117 728	–	–	117 728
	428 608 577	**2 895 820 682**	**–**	**3 324 429 259**
Financial liabilities				
Trade and other payables	524 036 970	–	–	524 036 970
Amounts owed to group companies	256 803 539	–	–	256 803 539
	780 840 509	**–**	**–**	**780 840 509**
31 December 2013 (Reviewed)				
Financial assets				
Investments held by environmental trusts	229 435 748	–	–	229 435 748
Trade and other receivables	299 995 621	2 178 195 282	–	2 478 190 903
Amounts owing by group companies	13 151 595	–	–	13 151 595
Cash and cash equivalents	218 650	–	–	218 650
	542 801 614	**2 178 195 282**	**–**	**2 720 996 896**
Financial liabilities				
Trade and other payables	1 151 893 349	–	–	1 151 893 349
Amounts owed to group companies	196 213 033	–	–	196 213 033
	1 348 106 382	**–**	**–**	**1 348 106 382**

	South African Rand R	US dollar R	Other R	Total R
31 December 2012 (Reviewed)				
Financial assets				
Investments held by environmental trusts	204 155 050	–	–	204 155 050
Trade and other receivables	240 357 333	2 192 135 633	–	2 432 492 966
Amounts owing by group companies	3 980 330	–	–	3 980 330
Cash and cash equivalents	653 080	–	–	653 080
	449 145 793	**2 192 135 633**	**–**	**2 641 281 426**
Financial liabilities				
Trade and other payables	527 563 741	–	–	527 563 741
Amounts owed to group companies	137 934 590	–	–	137 934 590
	665 498 331	**–**	**–**	**665 498 331**

Foreign currency sensitivity

The US dollar is the primary foreign currency to which the Rustenburg Operations is exposed. The following table indicates the business' sensitivity at year end to the indicated movements in the US dollar on financial instruments:

	US dollar R 10% stronger	R 10% weaker
30 June 2015 (Reviewed)		
Profit /(loss)	304 274 374	(304 274 374)
Trade and other receivables	304 274 374	(304 274 374)
31 December 2014 (Audited)		
Profit /(loss)	303 466 038	(303 466 038)
Trade and other receivables	303 466 038	(303 466 038)
31 December 2013 (Reviewed)		
Profit /(loss)	232 117 279	(232 117 279)
Trade and other receivables	232 117 279	(232 117 279)
31 December 2012 (Reviewed)		
Profit /(loss)	183 773 510	(183 773 510)
Trade and other receivables	183 773 510	(183 773 510)

Metal price risk

Metal price risk arises from the risk of an adverse effect on current or future earnings or uncertainty resulting from fluctuations in metal prices. The ability to place forward contracts is restricted owing to the limited size of the financial market in PGMs. Financial markets in certain base metals are, however, well established. No such forward contracts were in place for the Rustenburg Operations for the periods presented.

The carrying amount of financial assets at balance sheet date that are subject to metal price risk is as follows:

	Subject to metal price movements R	Not impacted by metal price movements R	Total R
30 June 2015 (Reviewed)			
Financial assets			
Trade and other receivables	3 038 264 495	13 958 912	3 052 223 407
31 December 2014 (Audited)			
Financial assets			
Trade and other receivables	2 895 820 682	165 302 655	3 061 123 337
31 December 2013 (Reviewed)			
Financial assets			
Trade and other receivables	2 178 195 282	299 995 621	2 478 190 903
31 December 2012 (Reviewed)			
Financial assets			
Trade and other receivables	2 192 135 633	240 357 333	2 432 492 966

Metal price sensitivity

The Rustenburg Operations are exposed primarily to movements in platinum, palladium, rhodium and nickel prices. The following table indicates the sensitivity to the indicated movements in metal prices on financial instruments. The rates of sensitivity represent management's assessment of the possible change in metal price movements:

	30 June 2015 (Reviewed)		31 December 2014 (Audited)	
	R 10% increase	R 10% decrease	R 10% increase	R 10% decrease
Platinum				
Profit/(loss)	188 013 303	(188 013 303)	186 473 773	(186 473 773)
Trade and other receivables	188 013 303	(188 013 303)	186 473 773	(186 473 773)
Palladium				
Profit/(loss)	63 097 696	(63 097 696)	61 751 388	(61 751 388)
Trade and other receivables	63 097 696	(63 097 696)	61 751 388	(61 751 388)
Rhodium				
Profit/(loss)	22 652 089	(22 652 089)	23 884 791	(23 884 791)
Trade and other receivables	22 652 089	(22 652 089)	23 884 791	(23 884 791)
Nickel				
Profit/(loss)	13 392 162	(13 392 162)	15 121 873	(15 121 873)
Trade and other receivables	13 392 162	(13 392 162)	15 121 873	(15 121 873)

	31 December 2013 (Reviewed)		31 December 2012 (Reviewed)	
	R 10% increase	R 10% increase	R 10% increase	R 10% increase
Platinum				
Profit/(loss)	155 468 212	(155 468 212)	125 603 208	(125 603 208)
Trade and other receivables	155 468 212	(155 468 212)	125 603 208	(125 603 208)
Palladium				
Profit/(loss)	40 750 222	(40 750 222)	25 669 739	(25 669 739)
Trade and other receivables	40 750 222	(40 750 222)	25 669 739	(25 669 739)
Rhodium				
Profit/(loss)	13 125 472	(13 125 472)	10 278 709	(10 278 709)
Trade and other receivables	13 125 472	(13 125 472)	10 278 709	(10 278 709)
Nickel				
Profit/(loss)	10 266 699	(10 266 699)	9 003 657	(9 003 657)
Trade and other receivables	10 266 699	(10 266 699)	9 003 657	(9 003 657)

Interest rate risk

RPM was in a net borrowed position for the periods reported. The size of the business's position, be it either short cash or long cash, exposes it to interest rate risk. This risk is managed through the term structure utilised when placing deposits or taking out borrowings. Furthermore, when appropriate, these exposures may also be covered by means of derivative financial instruments subject to the approval of the Executive Committee. During the periods, no forward rate agreements were used to manage this risk. As the Rustenburg Operations are a division of RPM, all funding was done at a RPM level and consequently, other than cash and cash equivalents, the Rustenburg Operations did not have any exposure to interest rate risk.

The carrying amount of the Rustenburg Operations' financial assets and liabilities that are subject to interest rate risk is as follows:

	Subject to interest rate movements			
	Fixed R	**Floating R**	**Non-interest-bearing R**	**Total R**
30 June 2015 (Reviewed)				
Financial assets				
Investments held by environmental trusts	–	–	267 764 899	267 764 899
Trade and other receivables	–	–	3 052 223 407	3 052 223 407
Amounts owing by group companies	–	–	2 618 433	2 618 433
Cash and cash equivalents	–	243 755	–	243 755
	–	**243 755**	**3 322 606 739**	**3 322 850 494**
Financial liabilities				
Trade and other payables	–	–	632 864 266	632 864 266
Amounts owed to group companies	–	–	289 252 886	289 252 886
	–	**–**	**922 117 152**	**922 117 152**
31 December 2014 (Audited)				
Financial assets				
Investments held by environmental trusts	–	–	260 569 761	260 569 761
Trade and other receivables	–	–	3 061 123 337	3 061 123 337
Amounts owing by group companies	–	–	2 618 433	2 618 433
Cash and cash equivalents	–	117 728	–	117 728
	–	**117 728**	**3 324 311 531**	**3 324 429 259**
Financial liabilities				
Trade and other payables	–	–	524 036 970	524 036 970
Amounts owed to group companies	–	–	256 803 539	256 803 539
	–	**–**	**780 840 509**	**780 840 509**
31 December 2013 (Reviewed)				
Financial assets				
Investments held by environmental trusts	–	–	229 435 748	229 435 748
Trade and other receivables	–	–	2 478 190 903	2 478 190 903
Amounts owing by group companies	–	–	13 151 595	13 151 595
Cash and cash equivalents	–	218 650	–	218 650
	–	**218 650**	**2 720 778 246**	**2 720 996 896**

	Subject to interest rate movements			
	Fixed R	Floating R	Non-interest-bearing R	Total R
Financial liabilities				
Trade and other payables	–	–	1 151 893 349	1 151 893 349
Amounts owed to group companies	–	–	196 213 033	196 213 033
	–	**–**	**1 348 106 382**	**1 348 106 382**
31 December 2012 (Reviewed)				
Financial assets				
Investments held by environmental trusts	–	–	204 155 050	204 155 050
Trade and other receivables	–	–	2 432 492 966	2 432 492 966
Amounts owing by group companies	–	–	3 980 330	3 980 330
Cash and cash equivalents	–	653 080	–	653 080
	–	**653 080**	**2 640 628 346**	**2 641 281 426**
Financial liabilities				
Trade and other payables	–	–	527 563 741	527 563 741
Amounts owed to group companies	–	–	137 934 590	137 934 590
	–	**–**	**665 498 331**	**665 498 331**

Interest rate sensitivity

Due to the fact that the Rustenburg Operations do not have significant financial assets and liabilities subject to ZAR interest rates, any movement in the ZAR interest rates will not have a material impact on the profit/loss for the period.

Liquidity risk

Liquidity risk is the risk that the Rustenburg Operations will be unable to meet a financial commitment in any location or currency. Due to the fact that the Rustenburg Operations is a division of RPM, this risk is minimised at a RPM level through the holding of cash balances and sufficient available borrowing facilities. In addition, detailed cash flow forecasts are regularly prepared and reviewed by Anglo American plc Group Treasury. The cash needs of the business are managed according to its requirements.

The following table details the business's remaining contractual maturity for its financial liabilities. The table has been compiled based on the undiscounted cash flows of financial liabilities based on the earliest date on which repayment of the liabilities can be demanded. The cash flows include both the principal and interest payments.

	Weighted average effective interest rate (%)	Less than 12 months R	1 to 2 years R	2 to 5 years R	Greater than 5 years R	Total R
Non-derivative financial instruments						
30 June 2015 (Reviewed)						
Trade and other payables	n/a	632 864 266	–	–	–	632 864 266
Amounts owed to group companies	n/a	289 252 886	–	–	–	289 252 886
		922 117 152	**–**	**–**	**–**	**922 117 152**

	Weighted average effective interest rate (%)	Less than 12 months R	1 to 2 years R	2 to 5 years R	Greater than 5 years R	Total R
31 December 2014 (Audited)						
Trade and other payables	n/a	524 036 970	–	–	–	524 036 970
Amounts owed to group companies	n/a	256 803 539	–	–	–	256 803 539
		780 840 509	**–**	**–**	**–**	**780 840 509**
31 December 2013 (Reviewed)						
Trade and other payables	n/a	1,151,893,349	–	–	–	1,151,893,349
Amounts owed to group companies	n/a	196 213 033	–	–	–	196 213 033
		1 348 106 382	**–**	**–**	**–**	**1 348 106 382**
31 December 2012 (Reviewed)						
Trade and other payables	n/a	527 563 741	–	–	–	527 563 741
Amounts owed to group companies	n/a	137 934 590	–	–	–	137 934 590
		665 498 331	**–**	**–**	**–**	**665 498 331**

Credit risk

Potential concentrations of credit risk consist primarily of investments held by environmental trusts, short-term cash investments and trade accounts receivable. Credit risk arises from the risk that a counterparty may default or not meet its obligations timeously. The Rustenburg Operations benefit from the Anglo American plc Group's policy to minimise credit risk by ensuring that counterparties are banking institutions of the highest quality, that appropriate credit limits are in place for each counterparty and that short-term cash investments are spread among a number of different counterparties. Banking counterparty limits are reviewed annually by the board.

Trade accounts receivable comprises amounts owing from RPM for sales of concentrate.

The carrying amount of the financial assets represents the business's maximum exposure to credit risk without taking into consideration any collateral provided:

	Maximum credit risk			
	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
Financial assets and other credit exposures				
Investments held by environmental trusts	267 764 899	260 569 761	229 435 748	204 155 050
Trade and other receivables	3 052 223 407	3 061 123 337	2 478 190 903	2 432 492 966
Amounts owing by group companies	2 618 433	2 618 433	13 151 595	3 980 330
Cash and cash equivalents	243 755	117 728	218 650	653 080
	3 322 850 494	**3 324 429 259**	**2 720 996 896**	**2 641 281 426**

In addition, the Rustenburg Operations has provided guarantees to certain third parties. Refer to note 23 for details.

Market equity risk

The Rustenburg Operations has equity price risk on certain assets and liabilities. These financial instruments are held for strategic purposes and are managed on this basis.

	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
Financial assets				
Investment held by environmental trusts	267 764 899	260 569 761	229 435 748	204 155 050
	267 764 899	**260 569 761**	**229 435 748**	**204 155 050**

Equity price sensitivity

To the extent of its investments in environmental trust, the Rustenburg Operations is sensitive to the movements in equity prices on certain listed shares on the JSE. If the equity prices had been 10% higher at year-end, then income for the year would have increased by R11 million at 31 December 2014 (R9 million at 31 December 2013 and R12 million at 31 December 2012). If the equity prices had been 10% lower at year-end, then income for the year would have decreased by R0.4 million at 31 December 2014 (R1 million at 31 December 2013 and R4 million at 31 December 2012).

25. **RELATED PARTY TRANSACTIONS**

As noted in the basis of preparation the Rustenburg Operations do not constitute a separate legal entity therefore, there are numerous transactions between the Rustenburg Operations and other divisions of RPM due to it not operating its own bank accounts or receiving centralised services. Accordingly, transactions and balances owing to other divisions of RPM have not been disclosed as these are not considered to be related parties.

The Rustenburg Operations, in the ordinary course of business, enters into various sale, purchase, service and lease transactions with the ultimate parent company of RPM, Anglo American plc, its subsidiaries, joint arrangements and associates as well as associates of AAP. The Rustenburg Operations participate in the Anglo American plc insurance programme. These transactions are priced on an arm's length basis. Material related-party transactions with subsidiaries and associates of Anglo American plc and associates of AAP are as follows:

	30 June 2015 (Reviewed) R	31 December 2014 (Audited) R	31 December 2013 (Reviewed) R	31 December 2012 (Reviewed) R
Amounts owing by group companies	**2 618 433**	**2 618 433**	**13 151 595**	**3 980 330**
Unki Mines	2 605 046	2 605 046	2 605 046	2 605 046
MASA Chrome Proprietary Limited	13 387	13 387	10 546 549	1 375 284
Amounts owed to group companies	**(289 252 886)**	**(256 803 539)**	**(196 213 033)**	**(137 934 590)**
AAP	(1 076 597)	(1 076 597)	(1 076 597)	(1 076 597)
Whiskey Creek Management Services Proprietary Limited	–	(41 552)	(96 576)	(32 424)
Platmed Proprietary Limited	(287 976 507)	(255 502 755)	(194 873 114)	(136 696 504)
RA Gilbert Proprietary Limited	(199 782)	(182 635)	(166 746)	(129 065)

Amounts owing by and to group companies

These amounts represent amounts owing by and to other AAP group companies. These are non-interest-bearing and are repayable on demand.

26. **POST BALANCE SHEET EVENTS**

On 9 September 2015 RPM entered into the SPA. In terms of the SPA, the Rustenburg Operations will be sold as a going concern. The Transaction requires various regulatory approvals, including approval by the South African competition authorities and the Department of Mineral Resources. In addition, the parties have agreed conduct of business provisions applicable to the conduct of the Rustenburg Operations in the period between the signature of the SPA and the Effective Date. Fulfilment of the conditions precedent to the Transaction is expected by the dates stated in paragraph 4.7 of the Circular, which dates may be extended, as provided for in the SPA. The conditions precedent may also be waived, as provided for in the SPA.

Sibanye Rustenburg Platinum Mines and RPM further entered into the Concentrate Agreement that will commence on the first day of the calendar month in which the Effective Date falls.

PROPERTY, PLANT AND EQUIPMENT

	30 June 2015 (Reviewed)		
	Cost R	Accumulated depreciation R	Carrying amount R
Owned and leased assets			
Mining development and infrastructure	5 599 773 240	2 632 267 600	2 967 505 640
Plant and equipment	8 267 097 500	5 129 538 601	3 137 558 899
Land and buildings	1 484 156 613	730 874 233	753 282 380
Motor vehicles	170 809 182	126 679 992	44 129 190
Furniture, fittings and equipment	33 604 496	27 649 024	5 955 472
	15 555 441 031	8 647 009 450	6 908 431 581
Decommissioning asset	160 943 237	66 462 317	94 480 920
Note 10	**15 716 384 268**	**8 713 471 767**	**7 002 912 501**

	31 December 2014 (Audited)		
	Cost R	Accumulated depreciation R	Carrying amount R
Owned and leased assets			
Mining development and infrastructure	5 137 214 545	2 384 287 210	2 752 927 335
Plant and equipment	7 731 304 143	4 815 539 600	2 915 764 543
Land and buildings	1 463 538 099	685 841 232	777 696 867
Motor vehicles	155 685 656	112 696 414	42 989 242
Furniture, fittings and equipment	30 656 218	27 017 850	3 638 368
	14 518 398 661	8 025 382 306	6 493 016 355
Decommissioning asset	160 943 237	59 415 681	101 527 556
Note 10	**14 679 341 898**	**8 084 797 987**	**6 594 543 911**

	31 December 2013 (Reviewed)		
	Cost R	Accumulated depreciation R	Carrying amount R
Owned and leased assets			
Mining development and infrastructure	5 051 103 886	2 008 612 395	3 042 491 491
Plant and equipment	7 360 225 220	4 228 279 459	3 131 945 761
Land and buildings	1 407 227 551	600 293 744	806 933 807
Motor vehicles	136 981 772	98 214 299	38 767 473
Furniture, fittings and equipment	28 221 514	26 064 796	2 156 718
	13 983 759 943	6 961 464 693	7 022 295 250
Decommissioning asset	132 706 592	45 322 409	87 384 183
Note 10	**14 116 466 535**	**7 006 787 102**	**7 109 679 433**

	31 December 2012 (Reviewed) Cost R	Accumulated depreciation R	Carrying amount R
Owned and leased assets			
Mining development and infrastructure	7 055 193 673	2 431 877 483	4 623 316 190
Plant and equipment	7 752 519 278	4 143 119 869	3 609 399 409
Land and buildings	1 367 443 393	536 198 522	831 244 871
Motor vehicles	138 444 213	91 958 007	46 486 206
Furniture, fittings and equipment	27 015 337	25 283 981	1 731 356
	16 340 615 894	7 228 437 862	9 112 178 032
Decommissioning asset	143 443 276	39 587 416	103 855 860
Note 10	**16 484 059 170**	**7 268 025 278**	**9 216 033 892**

The carrying amount of property, plant and equipment can be reconciled as follows:

	Carrying amount at beginning of year R	Additions R	Transfer from capital work in progress R	Reclassifi-cations/ transfers R	Disposals/ scrapings R	Depreciation R	Carrying amount at end of year R
30 June 2015 (Reviewed)							
Owned and leased assets							
Mining development and infrastructure	2 752 927 335	110 603 297	351 955 398	–	–	(247 980 390)	2 967 505 640
Plant and equipment	2 915 764 543	(1 279)	484 035 690	54 502 699	(1 570 232)	(315 172 522)	3 137 558 899
Land and buildings	777 696 867	–	21 943 017	–	(1 026 023)	(45 331 481)	753 282 380
Motor vehicles	42 989 242	–	19 035 347	–	(358 564)	(17 536 835)	44 129 190
Furniture, fittings and equipment	3 638 368	–	2 948 278	–	–	(631 174)	5 955 472
	6 493 016 355	110 602 018	879 917 730	54 502 699	(2 954 819)	(626 652 402)	6 908 431 581
Decommissioning asset	101 527 556	–	–	–	–	(7 046 636)	94 480 920
Note 10	**6 594 543 911**	**110 602 018**	**879 917 730**	**54 502 699**	**(2 954 819)**	**(633 699 038)**	**7 002 912 501**
31 December 2014 (Audited)							
Owned and leased assets							
Mining development and infrastructure	3 042 491 491	71 536 349	18 083 414	843 687	–	(380 027 606)	2 752 927 335
Plant and equipment	3 131 945 761	275 622	395 610 769	(584 827)	(5 006)	(611 477 776)	2 915 764 543
Land and buildings	806 933 807	38 171 373	27 322 206	(32 502)	(13 476 561)	(81 221 456)	777 696 867
Motor vehicles	38 767 474	250 000	18 630 768	–	–	(14 659 000)	42 989 242
Furniture, fittings and equipment	2 156 718	–	2 568 676	844	–	(1 087 870)	3 638 368
	7 022 295 251	110 233 344	462 215 833	227 202	(13 481 567)	(1 088 473 708)	6 493 016 355
Decommissioning asset	87 384 182	28 944 205	–	–	(661 231)	(14 139 600)	101 527 556
Note 10	**7 109 679 433**	**139 177 549**	**462 215 833**	**227 202**	**(14 142 798)**	**(1 102 613 308)**	**6 594 543 911**

	Carrying amount at beginning of year R	Additions R	Transfer from capital work in progress R	Reclassifi-cations/ Transfers R	Disposals/ scrapings R	Depreciation R	Carrying amount at end of year R
31 December 2013 (Reviewed)							
Owned and leased assets							
Mining development and infrastructure	4 623 316 190	144 843 086	154 319 471	–	(1 508 690 420)	(371 296 836)	3 042 491 491
Plant and equipment	3 609 399 409	4 912 549	604 307 251	5 322 074	(478 794 796)	(613 200 726)	3 131 945 761
Land and buildings	831 244 871	39 032 069	52 637 956	346 490	(39 012 984)	(77 314 595)	806 933 807
Motor vehicles	46 486 206	–	2 524 411	1 002 249	(1 267 791)	(9 977 602)	38 767 473
Furniture, fittings and equipment	1 731 356	–	1 206 177	119 236	–	(900 051)	2 156 718
	9 112 178 032	188 787 704	814 995 266	6 790 049	(2 027 765 991)	(1 072 689 810)	7 022 295 250
Decommissioning asset	103 855 860	791 715	–	16 574	(7 339 998)	(9 939 968)	87 384 183
Note 10	**9 216 033 892**	**189 579 419**	**814 995 266**	**6 806 623**	**(2 035 105 989)**	**(1 082 629 778)**	**7 109 679 433**
31 December 2012							
Owned and leased assets							
Mining development and infrastructure	4 196 607 385	176 577 676	616 039 413	8 850 641	–	(374 758 925)	4 623 316 190
Plant and equipment	3 591 613 055	1 507 732	583 481 002	54 655 638	(557)	(621 857 461)	3 609 399 409
Land and buildings	798 065 149	268 580	95 350 591	7 730 846	–	(70 170 295)	831 244 871
Motor vehicles	48 849 296	–	9 456 767	(49 320)	(1 305 904)	(10 464 633)	46 486 206
Furniture, fittings and equipment	1 588 273	144 985	562 407	25 791	–	(590 100)	1 731 356
	8 636 723 158	178 498 973	1 304 890 180	71 213 596	(1 306 461)	(1 077 841 414)	9 112 178 032
Decommissioning asset	80 086 046	32 863 958	–	–	–	(9 094 144)	103 855 860
Note 10	**8 716 809 204**	**211 362 931**	**1 304 890 180**	**71 213 596**	**(1 306 461)**	**(1 086 935 558)**	**9 216 033 892**

Useful lives of assets

Mining development and infrastructure	5 to 20 years
Plant and equipment	2 to 20 years
Buildings	10 to 20 years
Motor vehicles	4 to 5 years
Furniture, fittings and equipment	2 to 10 years
Decommissioning asset	30 years

INDEPENDENT REPORTING ACCOUNTANTS' REPORTS ON THE HISTORICAL COMBINED FINANCIAL INFORMATION

The Directors
Sibanye Gold Limited
Libanon Business Park
1 Hospital Street (off Cedar Avenue)
Libanon
Westonaria
1780
South Africa

15 December 2015

Dear Sirs

INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM HISTORICAL COMBINED FINANCIAL INFORMATION

We have reviewed the interim historical combined financial information included in the accompanying historical combined financial information of the Rustenburg Operations as at and for the six months ended 30 June 2015 included in Annexure 1 of the Circular to Sibanye Gold Limited shareholders. The interim historical combined financial statement of financial position and combined statement of comprehensive income for the period then ended; and notes comprising a summary of significant accounting policies and other explanatory information. The interim historical combined financial information has been prepared by management using the basis of preparation described in note 1 and the JSE Listings Requirements.

Directors' responsibility for the interim historical combined financial information

The directors are responsible for the preparation and presentation of the interim historical combined financial information in accordance with the basis of preparation described in note 1 and the JSE Listings Requirements. The directors' responsibility also includes determining the acceptability of the basis of preparation in the circumstances, and for such internal control as management determines is necessary to enable the preparation and presentation of the interim historical combined financial information that is free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the interim historical combined financial information. We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the basis of preparation described in note 1 and the JSE Listings Requirements. This standard also requires us to comply with relevant ethical requirements.

ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the historical and interim financial information is not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and other within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim historical combined financial of the Rustenburg Operations as at and for the six months then ended 30 June 2015 is not prepared, in all material respects, in accordance with the basis of preparation as set out in note 1 of the historical combined financial information and the respective JSE Listings Requirements.

Other information in the Circular

As required by paragraph 8.53 of the JSE Listings Requirements, we have read the Circular in which the historical combined financial information is contained, for the purpose of identifying whether there are material inconsistencies between the Circular and the historical combined financial information which has been subject to review. The Circular is the responsibility of the directors. Based on reading the Circular we have not identified material inconsistencies between this report and the historical combined financial information which has been subject to review. However, we have not audited the Circular and accordingly do not express an opinion on it.

Consent

We consent to the inclusion of this report, which will form part of the Circular to the shareholders of Sibanye Gold Limited, to be issued on or about 15 December 2015, in the form and context in which it appears.

Basis of preparation

Without modifying our opinion, we draw attention to note 1 of the historical combined financial information which describes the basis of preparation and presentation of the interim historical combined financial information, including the approach to and the purpose for preparation the information and that the preparation involves complex allocations of certain items. Consequently, the interim historical combined financial information may not necessarily be indicative of the financial performance that would have been achieved if the Rustenburg Operations has operated as an independent group, nor may it be indicative of the results of operations of the Rustenburg Operations for any future period.

The interim historical combined financial information has been prepared solely for the purpose of fulfilling the directors' financial reporting responsibilities in order to comply with the respective listings requirements of the JSE. As a result, the historical combined financial information may not be suitable for another purpose.

Deloitte & Touche
Registered Auditor

Per: JAR Welch
Partner

Deloitte Place
The Woodlands
Woodlands Drive
Woodmead
Sandton

INDEPENDENT AUDITORS' REPORT

The Directors
Sibanye Gold Limited
Libanon Business Park
1 Hospital Street (off Cedar Avenue)
Libanon
Westonaria
1780
South Africa

15 December 2015

Dear Sirs

INDEPENDENT AUDITORS' REPORT ON THE HISTORICAL COMBINED FINANCIAL INFORMATION

We have audited the historical combined financial information included in the accompanying historical combined financial information of the Rustenburg Operations as at and for the year ended 31 December 2014 included in Annexure 1 of the Circular to Sibanye Gold Limited shareholders. The historical combined financial statement of financial position and combined statement of comprehensive income for the year then ended; and notes comprising a summary of significant accounting policies and other explanatory information. The historical combined financial information has been prepared by management using the basis of preparation described in note 1 and the JSE Listings Requirements.

Directors' responsibility for the historical combined financial information

The directors are responsible for the preparation and presentation of the historical combined financial information in accordance with the basis of preparation described in note 1 and the JSE Listings Requirements. The directors' responsibility also includes determining the acceptability of the basis of preparation in the circumstances, and for such internal control as management determines is necessary to enable the preparation and presentation of the historical combined financial information that is free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the historical combined financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the historical combined financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the historical combined financial information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the historical combined financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the historical combined financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the historical combined financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit opinion

In our opinion, the historical combined financial information, included in the historical combined financial information of the Rustenburg Operations as at and for the year ended 31 December 2014, is presented, in all material respects, in accordance with the basis of preparation as set out in note 1 of the historical combined financial information and the respective JSE Listings Requirements.

Other information in the Circular

As required by paragraph 8.53 of the JSE Listings Requirements, we have read the Circular in which the historical combined financial information is contained, for the purpose of identifying whether there are material inconsistencies between the Circular and the historical combined financial information which has been subject to audit. The Circular is the responsibility of the directors. Based on reading the Circular we have not identified material inconsistencies between this report and the historical combined financial information which has been subject to audit. However, we have not audited the Circular and accordingly do not express an opinion on it.

Consent

We consent to the inclusion of this report, which will form part of the Circular to the shareholders of Sibanye Gold Limited, to be issued on or about 15 December 2015, in the form and context in which it appears.

Basis of preparation

Without modifying our opinion, we draw attention to note 1 of the historical combined financial information which describes the basis of preparation and presentation of the historical combined financial information, including the approach to and the purpose for preparation the information and that the preparation involves complex allocations of certain items. Consequently, the historical combined financial information may not necessarily be indicative of the financial performance that would have been achieved if the Rustenburg Operations has operated as an independent group, nor may it be indicative of the results of operations of the Rustenburg Operations for any future period.

The historical combined financial information has been prepared solely for the purpose of fulfilling management's financial reporting responsibilities in order to comply with the respective Listings Requirements of the JSE. As a result, the historical combined financial information may not be suitable for another purpose.

Deloitte & Touche
Registered Auditor

Per: JAR Welch
Partner

Deloitte Place
The Woodlands
Woodlands Drive
Woodmead
Sandton

INDEPENDENT AUDITORS' REVIEW REPORT

The Directors
Sibanye Gold Limited
Libanon Business Park
1 Hospital Street (off Cedar Avenue)
Libanon
Westonaria
1780
South Africa

15 December 2015

Dear Sirs

INDEPENDENT AUDITORS' REVIEW REPORT ON THE HISTORICAL COMBINED FINANCIAL INFORMATION

We have reviewed the historical combined financial information included in the accompanying historical combined financial information of Rustenburg Operations as at and for the years ended 31 December 2013 and 31 December 2012 included in Annexure 1 of the Circular to Sibanye Gold Limited shareholders. The historical combined financial statements of financial position and combined statements of comprehensive income for the periods then ended; and notes comprising a summary of significant accounting policies and other explanatory information. The historical combined financial information has been prepared by management using the basis of preparation described in note 1 and the JSE Listings Requirements.

Directors' responsibility for the interim historical combined financial information

The directors are responsible for the preparation and presentation of the historical combined financial information in accordance with the basis of preparation described in note 1 and the JSE Listings Requirements. The directors' responsibility also includes determining the acceptability of the basis of preparation in the circumstances, and for such internal control as management determines is necessary to enable the preparation and presentation of the historical combined financial information that is free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the historical combined financial information. We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the historical and interim financial information is not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and other within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying historical combined financial information of Rustenburg Operations as at and for the years ended 31 December 2013 and 31 December 2012 is not prepared, in all material respects, in accordance with the basis of preparation as set out in note 1 of the historical combined financial information and the respective JSE Listings Requirements.

Other information in the Circular

As required by paragraph 8.53 of the JSE Listings Requirements, we have read the Circular in which the historical combined financial information is contained, for the purpose of identifying whether there are material inconsistencies between the Circular and the historical combined financial information which has been subject to review. The Circular is the responsibility of the directors. Based on reading the Circular we have not identified material inconsistencies between this report and the historical combined financial information which has been subject to review. However, we have not audited the Circular and accordingly do not express an opinion on it.

Consent

We consent to the inclusion of this report, which will form part of the Circular to the shareholders of Sibanye Gold Limited, to be issued on or about 15 December 2015, in the form and context in which it appears.

Basis of preparation

Without modifying our opinion, we draw attention to note 1 of the historical combined financial information which describes the basis of accounting and presentation of the historical combined financial information, including the approach to and the purpose for preparation the information and that the preparation involves complex allocations of certain items. Consequently, the historical combined financial information may not necessarily be indicative of the financial performance that would have been achieved if the Rustenburg Operations has operated as an independent group, nor may it be indicative of the results of operations of the Rustenburg Operations for any future period.

The historical combined financial information has been prepared solely for the purpose of fulfilling the directors' financial reporting responsibilities in order to comply with the respective listings requirements of the JSE. As a result, the historical combined financial information may not be suitable for another purpose.

Deloitte & Touche
Registered Auditor

Per: JAR Welch
Partner

Deloitte Place
The Woodlands
Woodlands Drive
Woodmead
Sandton

PRO FORMA FINANCIAL INFORMATION

The *pro forma* financial information relating to the Transaction has been prepared based on the following assumptions:

- The R1.5 billion Upfront Purchase Price is discharged in cash by raising a loan, refer to Annexure 3: Section A (excludes the post-balance sheet proposed Aguari Platinum Limited acquisition).
- The R1.5 billion Upfront Purchase Price is discharged through the allotment and issue by Sibanye of Consideration Shares to RPM, refer to Annexure 3: Section B (excludes the post-balance sheet proposed Aquarius Platinum Limited acquisition).

ANNEXURE 3: SECTION A

***Pro forma* financial information of the Transaction should the Upfront Purchase Price be discharged in cash by raising a loan**

***Pro forma* consolidated income statement**

for the six months ended 30 June 2015

Figures in Rand million unless otherwise stated	**Before the transaction [(a)]**	**Adjustments relating to the Transaction** **Rustenburg Operations' results [(b)]**	**Consolidation journals**	**After the transaction**
Revenue	10 245.5	4 488.9	–	14 734.4
Cost of sales	(9 488.1)	(5 251.0)	(10.0) [(c)]	(14 749.1)
Net operating profit	**757.4**	**(762.1)**	**(10.0)**	**(14.7)**
Investment income	116.9	–	–	116.9
Finance expense	(262.9)	(27.8)	(144.8) [(d)]	(435.5)
Share-based payments	(145.0)	–	(219.5) [(e)]	(364.5)
Share of results of equity-accounted investees after taxation	28.8	–	–	28.8
Gain on financial instruments	25.0	–	–	25.0
Loss on foreign exchange differences	(49.8)	–	–	(49.8)
Exploration and feasibility costs	(12.9)	–	–	(12.9)
Other income	77.3	4.4	–	81.7
Other costs	(140.4)	–	–	(140.4)
Net loss on derecognition of Gold Fields guarantee asset and liability	(158.3)	–	–	(158.3)
Profit on disposal of property, plant and equipment	14.2	(3.2)	–	11.0
Restructuring costs	(31.2)	(27.3)	–	(58.5)
Care and maintenance costs	–	(56.7)	–	(56.7)
Transaction costs	–	–	(62.7) [(f)]	(62.7)
Gain on bargain purchase	–	–	4 712.4 [(g)]	4 712.4
Profit before royalties and taxation	**219.1**	**(872.7)**	**4 275.4**	**3 621.8**
Royalties	(139.4)	(52.7)	–	(192.1)
Profit before taxation	**79.7**	**(925.4)**	**4 275.4**	**3 429.7**
Mining and income taxation	5.3	259.1	21.8 [(h)]	286.2
Profit for the period	**85.0**	**(666.3)**	**4 297.2**	**3 715.9**
Attributable to:				
Owners of Sibanye	179.8	(666.3)	4 297.2	3 810.7
Non-controlling interests	(94.8)	–	–	(94.8)

***Pro forma* consolidated income statement** for the six months ended 30 June 2015			**Adjustments relating to the Transaction**		
Figures in Rand million unless otherwise stated		**Before the transaction** [(a)]	**Rustenburg Operations' results** [(b)]	**Consolidation journals**	**After the transaction**
Reconciliation of headline earnings with profit for the period:					
Profit attributable to owners of Sibanye		179.8	(666.3)	4.297.2	3 810.7
Profit on disposal of property, plant and equipment		(14.2)	(0.4)	–	(14.6)
Gain on bargain purchase		–	–	(4 712.4)	(4 712.4)
Taxation effect of re-measurement items		4.0	0.1	–	4.1
Headline earnings		**169.6**	**(666.6)**	**(415.2)**	**(912.2)**
Earnings per share attributable to owners of Sibanye					
EPS	cents	20			419
Diluted EPS	cents	20			417
HEPS	cents	19			(100)
Diluted HEPS	cents	19			(100)
Weighted average number of shares issued		909 295 336			909 295 336
Diluted weighted average number of shares		913 536 005			913 536 005

Notes:

(a) The "Before the Transaction" financial information is based on Sibanye's reviewed condensed consolidated interim financial statements for the six months ended 30 June 2015.

(b) The "Rustenburg Operations' results" column has been adjusted to include the reviewed income and expenditure relating to the Rustenburg Operations for the six months ended 30 June 2015. The reviewed historical combined statement of comprehensive income of the Rustenburg Operations is contained in Annexure 1 to this Circular. Royalties have been reclassified from cost of sales to a separate line item in line with Sibanye's reporting principles.

(c) Cost of sales has been adjusted to include the additional depreciation relating to property, plant and equipment for the six-month period, arising on the allocation of the purchase consideration in terms of IFRS 3 Business Combinations ("IFRS 3").

(d) Finance expense has been adjusted for additional finance costs of R67.9 million relating to raising the loan to settle the Upfront Purchase Price and R76.9 million relating to the unwinding of the Deferred Purchase Price.

(e) Share-based payments has been adjusted for the IFRS 2 Share-based Payment ("IFRS 2") expense relating to the sale of 26% of Sibanye Rustenburg Platinum Mines on loan to the BBBEE Stakeholders. 85% of dividends will be utilised to repay the loan and interest, capped at R3.5 billion and a 15% trickle dividend will be paid to the BBBEE Stakeholders. The IFRS 2 expense has been limited to 30.77% interest relating to the Bakgatla-Ba-Kgafela Investment Holdings, assuming the Rustenburg Mine Community Trust and Rustenburg Mine Employees Trust will be controlled by Sibanye. The 30.77% interest has been valued using the cash flows as contained in the Competent Persons Report.

(f) Transaction costs directly attributable to the Transaction, amounting to R62.7 million has been recognised in profit or loss. This adjustment will not have a continuing impact.

(g) Gain on bargain purchase recognised in the income statement represents the excess of the net asset value of the acquisition over the Purchase Price. The preliminary purchase price allocation has been based on the cash flows as contained in the Competent Persons Report with an appropriate adjustment due to deferred taxation.

(h) Mining and income tax has been adjusted to include taxation of R19.0 million on the finance expense relating to raising of the loan to settle the Upfront Purchase Price and R2.8 million on the additional depreciation relating to the fair value adjustment of property, plant and equipment in accordance with IFRS 3.

(i) Weighted average and diluted weighted average number of shares has been adjusted for 71 599 045 new ordinary shares in the share capital of Sibanye to settle the Upfront Purchase Price of R1.5 billion based on 30 day VWAP as at 27 November 2015.

Pro forma consolidated statement of financial position

as at 30 June 2015

Figures in Rand million unless otherwise stated		**Before the transaction** [(a)]	**Adjustments relating to the Transaction**		**After the transaction**
			Rustenburg Operations' results [(b)]	**Consolidation journals**	
ASSETS					
Property, plant and equipment		22 648.6	8 072.9	475.2 [(c)]	31 196.7
Goodwill		736.7	–	–	736.7
Equity-accounted investments		98.2	–	–	98.2
Investments		1.4	–	–	1.4
Environmental rehabilitation obligation funds		2 263.9	267.8	–	2 531.7
Deferred taxation		51.4	–	–	51.4
Non-current assets		**25 800.2**	**8 340.7**	**475.2**	**34 616.1**
Inventories		386.5	86.8		
Trade and other receivables		1 043.8	3 064.0	119.5 [(h)]	473.3
Cash and cash equivalents		854.5	0.2	(62.7) [(d)]	4 227.3
Current assets		**2 284.8**	**3 151.0**	**56.8**	**792.0**
Total assets		**28 085.0**	**11 491.7**	**532.0**	**40 108.7**
EQUITY AND LIABILITIES					
Stated share capital		21 734.6	–	–	21 734.6
Other reserves		2 879.0	9 301.4	(9 081.9) [(e)]	3 098.5
Accumulated loss		(10 264.7)	–	4 430.2 [(f)]	(5 834.5)
Non-controlling interest		214.8	–	–	214.8
Total equity		**14 563.7**	**9 301.4**	**(4 651.7)**	**19 213.4**
Deferred taxation		3 702.1	–	2 092.5 [(c)]	5 794.6
Borrowings		3 174.0	–	1 500.0 [(g)]	4 674.0
Long-term financial obligation		–	–	1 887.8 [(h)]	1 887.8
Environmental rehabilitation obligation		2 583.1	624.3	(296.6) [(c)]	2 910.8
Post-retirement healthcare obligation		15.0	–	–	15.0
Share-based payment obligations		87.3	–	–	87.3
Non-current liabilities		**9 561.5**	**624.3**	**5 183.7**	**15 369.5**
Trade and other payables		2 861.7	1 566.0	–	4 427.7
Taxation and royalties payable		174.3	–	–	174.3
Current portion of borrowings		542.3	–	–	542.3
Current portion of share-based payment obligations		381.5	–	–	381.5
Current liabilities		**3 959.8**	**1 566.0**	**–**	**5 525.8**
Total equity and liabilities		**28 085.0**	**11 491.7**	**532.0**	**40 108.7**
NAV per share	cents	16			21
TNAV per share	cents	15			20
Number of shares issued		913 925 046			913 925 046

Notes:

(a) The "Before the Transaction" financial information is based on Sibanye's reviewed condensed consolidated interim financial statements for the six months ended 30 June 2015.

(b) The "Rustenburg Operations' results" column has been adjusted to include the Rustenburg Operations' reviewed interim historical combined financial information for the six months ended 30 June 2015, contained in Annexure 1 to this Circular. VAT of R58.2 million and deferred taxation of R984.8 million have been excluded from the reported results as the Rustenburg Operations does not constitute a separate legal entity, and the related tax assets and liabilities will remain with the legal entity, RPM.

(c) Property, plant and equipment, deferred taxation and environmental rehabilitation obligation have been adjusted to take into account the IFRS 3 fair value adjustments as follows:

1. R475.2 million fair value adjustment of property, plant and equipment;
2. R2 092.5 million deferred taxation liability recognised on acquisition; and
3. R296.6 million adjustment to the environmental rehabilitation obligation. The environmental rehabilitation obligation assumed is calculated based on the weighted average cost of capital in terms of IFRS 3 for acquisition purposes.

(d) Transaction costs directly attributable to the Transaction, amounting to R62.7 million is assumed to be paid

(e) Stated share capital has been adjusted for the issue of 71 599 045 new ordinary shares in the share capital of Sibanye to settle the Upfront Purchase Price of R1.5 billion based on 30 day VWAP as at 27 November 2015.

(f) Other reserves has been adjusted for the IFRS 2 share-based payment relating to the BBBEE Transaction and the elimination of the at acquisition reserves of the Rustenburg Operations.

(g) The adjustments to accumulated loss relates to the gain on bargain purchase, transaction costs and the IFRS 2 share-based payment.

(h) Borrowings has been adjusted for raising of the loan to settle the Upfront Purchase Price of R1.5 billion.

(i) Long-term and current portion of long-term financial obligation includes the estimated Deferred Purchase Price, which is based on 35% of the expected distributable free cash flows generated by the Rustenburg Operations with a discount rate of 9.1% being applied. In addition a contingent purchase receivable was recognised relating to the guaranteed estimated negative free cash flows.

***Pro Forma* financial information of the Transaction should the Upfront Purchase Price be discharged through the allotment and issue by Sibanye of Consideration Shares to RPM**

***Pro forma* consolidated income statement**

for the six months ended 30 June 2015

Figures in Rand million unless otherwise stated	**Before the transaction [(a)]**	**Adjustments relating to the Transaction** Rustenburg Operations' results [(b)]	**Consolidation journals**	**After the transaction**
Revenue	10 245.5	4 488.9	–	14 734.4
Cost of sales	(9 488.1)	(5 251.0)	(10.0) [(c)]	(14 749.1)
Net operating profit	**757.4**	**(762.1)**	**(10.0)**	**(14.7)**
Investment income	116.9	–	–	116.9
Finance expense	(262.9)	(27.8)	(76.9) [(d)]	(367.6)
Share-based payments	(145.0)	–	(219.5) [(e)]	(364.5)
Share of results of equity-accounted investees after taxation	28.8	–	–	28.8
Gain on financial instruments	25.0	–	–	25.0
Loss on foreign exchange differences	(49.8)	–	–	(49.8)
Exploration and feasibility costs	(12.9)	–	–	(12.9)
Other income	77.3	4.4	–	81.7
Other costs	(140.4)	–	–	(140.4)
Net loss on derecognition of Gold Fields guarantee asset and liability	(158.3)	–	–	(158.3)
Profit on disposal of property, plant and equipment	14.2	(3.2)	–	11.0
Restructuring costs	(31.2)	(27.3)	–	(58.5)
Care and maintenance costs	–	(56.7)	–	(56.7)
Transaction costs	–	–	(62.7) [(f)]	(62.7)
Gain on bargain purchase	–	–	4 712.4 [(h)]	4 712.4
Profit before royalties and taxation	**219.1**	**(872.7)**	**4 343.3**	**3 689.7**
Royalties	(139.4)	(52.7)	–	(192.1)
Profit before taxation	**79.7**	**(925.4)**	**4 343.3**	**3 497.6**
Mining and income taxation	5.3	259.1	2.8 [(g)]	267.2
Profit for the period	**85.0**	**(666.3)**	**4 346.1**	**3 764.8**
Attributable to:				
Owners of Sibanye	179.8	(666.3)	4 346.1	3 859.6
Non-controlling interests	(94.8)	–	–	(94.8)
Reconciliation of headline earnings with profit for the period:				
Profit attributable to owners of Sibanye	179.8	(666.3)	4 346.1	3 859.6
Profit on disposal of property, plant and equipment	(14.2)	(0.4)	–	(14.6)
Gain on bargain purchase	–	–	(4 712.4)	(4 712.4)
Taxation effect of re-measurement items	4.0	0.1	–	4.1
Headline earnings	**169.6**	**(666.6)**	**(366.3)**	**(863.3)**

***Pro forma* consolidated income statement** for the six months ended 30 June 2015			**Adjustments relating to the Transaction**		
Figures in Rand million unless otherwise stated		**Before the transaction** [(a)]	**Rustenburg Operations' results** [(b)]	**Consolidation journals**	**After the transaction**
Earnings per share attributable to owners of Sibanye					
EPS	cents	20			393
Diluted EPS	cents	20			392
HEPS	cents	19			(88)
Diluted HEPS	cents	19			(88)
Weighted average number of shares issued		909 295 336		71 599 045 [(i)]	980 894 381
Diluted weighted average number of shares		913 536 005		71 599 045 [(i)]	985 135 050

Notes:

(a) The "Before the Transaction" financial information is based on Sibanye's reviewed condensed consolidated interim financial statements for the six months ended 30 June 2015.

(b) The "Rustenburg Operations' results" column has been adjusted to include the reviewed income and expenditure relating to the Rustenburg Operations' for the six months ended 30 June 2015. The reviewed historical combined statement of comprehensive income of the Rustenburg Operations is contained in Annexure 1 to this Circular. Royalties has been reclassified from cost of sales to a separate line item in line with Sibanye's reporting principles.

(c) Cost of sales has been adjusted to include the additional depreciation relating to property, plant and equipment for the six-month period, arising on the allocation of the purchase consideration in terms of IFRS 3.

(d) Finance expense has been adjusted for additional finance costs of R76.9 million relating to the unwinding of the Deferred Purchase Price.

(e) Share-based payments have been adjusted for the IFRS 2 expense relating to the sale of 26% of Sibanye Rustenburg Platinum Mines on loan to the BBBEE Stakeholders. 85% of dividends will be utilised to repay the loan and interest, capped at R3.5 billion and a 15% trickle dividend will be paid to the BBBEE Stakeholders. The IFRS 2 expense has been limited to 30.77% interest relating to the Bakgatla-Ba-Kgafela Investment Holdings, assuming the Rustenburg Mine Community Trust and Rustenburg Mine Employees Trust will be controlled by Sibanye. The 30.77% interest has been valued using the cash flows as contained in the Competent Persons Report.

(f) Transaction costs directly attributable to the Transaction, amounting to R62.7 million has been recognised in profit or loss. This adjustment will not have a continuing impact.

(g) Mining and income tax has been adjusted to include taxation of R2.8 million on the additional depreciation relating to the fair value adjustment of property, plant and equipment in accordance with IFRS 3.

(h) Gain on bargain purchase recognised in the income statement represents the excess of the net asset value of the acquisition over the Purchase Price. The preliminary purchase price allocation has been prepared based on the cash flows as contained in the Competent Persons Report with an appropriate adjustment due to deferred taxation.

(i) Weighted average and diluted weighted average number of shares has been adjusted for 71 599 045 new ordinary shares in the share capital of Sibanye to settle the Upfront Purchase Price of R1.5 billion based on 30 day VWAP as at 27 November 2015.

***Pro forma* consolidated statement of financial position**
as at 30 June 2015

Figures in Rand million unless otherwise stated	**Before the transaction** [(a)]	**Adjustments relating to the Transaction** **Rustenburg Operations' results** [(b)]	**Consolidation journals**	**After the transaction**
ASSETS				
Property, plant and equipment	22 648.6	8 072.9	475.2 [(c)]	31 196.7
Goodwill	736.7	–	–	736.7
Equity-accounted investments	98.2	–	–	98.2
Investments	1.4	–	–	1.4
Environmental rehabilitation obligation funds	2 263.9	267.8	–	2 531.7
Deferred taxation	51.4	–	–	51.4
Non-current assets	**25 800.2**	**8 340.7**	**475.2**	**34 616.1**
Inventories	386.5	86.8	–	473.3
Trade and other receivables	1 043.8	3 064.0	119.5 [(h)]	4 227.3
Cash and cash equivalents	854.5	0.2	(62.7) [(d)]	792.0
Current assets	**2 284.8**	**3 151.0**	**56.8**	**5 492.6**
Total assets	**28 085.0**	**11 491.7**	**532.0**	**40 108.7**
EQUITY AND LIABILITIES				
Stated share capital	21 734.6	–	1 500.0 [(e)]	23 234.6
Other reserves	2 879.0	9 301.4	(9 081.9) [(f)]	3 098.5
Accumulated loss	(10 264.7)	–	4 430.2 [(g)]	(5 834.5)
Non-controlling interest	214.8	–	–	214.8
Total equity	**14 563.7**	**9 301.4**	**(3 151.7)**	**20 713.4**
Deferred taxation	3 702.1	–	2 092.5 [(c)]	5 794.6
Borrowings	3 174.0	–	–	3 174.0
Long-term financial obligation	–	–	1 887.8 [(h)]	1 887.8
Environmental rehabilitation obligation	2 583.1	624.3	(296.6) [(c)]	2 910.8
Post-retirement healthcare obligation	15.0	–	–	15.0
Share-based payment obligations	87.3	–	–	87.3
Non-current liabilities	**9 561.5**	**624.3**	**3 683.7**	**13 869.5**
Trade and other payables	2 861.7	1 566.0	–	4 427.7
Taxation and royalties payable	174.3	–	–	174.3
Current portion of borrowings	542.3	–	–	542.3
Current portion of share-based payment obligations	381.5	–	–	381.5
Current liabilities	**3 959.8**	**1 566.0**	**–**	**5 525.8**
Total equity and liabilities	**28 085.0**	**11 491.7**	**532.0**	**40 108.7**
NAV per share	cents	16		21
TNAV per share	cents	15		20
Number of shares issued		913 925 046	71 599 045 [(e)]	985 524 091

Notes:

(a) The "Before the Transaction" financial information is based on Sibanye's reviewed condensed consolidated interim financial statements for the six months ended 30 June 2015.

(b) The "Rustenburg Operations' results" column has been adjusted to include the Rustenburg Operations reviewed interim historical combined financial information for the six months ended 30 June 2015 contained in Annexure 1 to this Circular. VAT of R58.2 million and deferred taxation of R984.8 million have been excluded from the reported results as the Rustenburg Operations does not constitute a separate legal entity and the related tax assets and liabilities will remain with the legal entity RPM.

(c) Property, plant and equipment, deferred taxation and environmental rehabilitation obligation have been adjusted to take into account the IFRS 3 fair value adjustments as follows:

1. R475.2 million fair value adjustment of property plant and equipment;
2. R2 092.5 million deferred taxation liability recognised on acquisition; and
3. R296.6 million adjustment to the environmental rehabilitation obligation. The environmental rehabilitation obligation assumed is calculated based on the weighted average cost of capital in terms of IFRS 3 for acquisition purposes.

(d) Transaction costs directly attributable to the Transaction amounting to R62.7 million is assumed to be paid.

(e) Stated share capital has been adjusted for the issue of 71 599 045 new ordinary shares in the share capital of Sibanye to settle the Upfront Purchase Price of R1.5 billion based on 30 day VWAP as at 27 November 2015.

(f) Other reserves has been adjusted for the IFRS 2 share-based payment relating to the BBBEE Transaction and the elimination of the at acquisition reserves of the Rustenburg Operations.

(g) The adjustments to accumulated loss relates to the gain on bargain purchase transaction costs and the IFRS 2 share-based payment.

(h) Long-term and current portion of long-term financial obligation includes the estimated Deferred Purchase Price which is based on 35% of the expected distributable free cash flows generated by the Rustenburg Operations with a discount rate of 9.1% being applied. In addition a contingent purchase receivable was recognised relating to the guaranteed estimated negative free cash flows.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION

The Directors
Sibanye Gold Limited
Libanon Business Park
1 Hospital Street (off Cedar Avenue)
Libanon
Westonaria
1780
South Africa

9 December 2015

REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION

We have completed our assurance engagement to report ("Report") on the compilation of *pro forma* earnings and diluted earnings, headline and diluted headline earnings, net asset value and net tangible asset value per share of Sibanye Gold Limited ("Sibanye", or "the Company"), *pro forma* statement of financial position of Sibanye, the *pro forma* statement of comprehensive income of Sibanye and the related notes, including a reconciliation showing all of the *pro forma* adjustments to the share capital, reserves and other equity items relating to Sibanye, (collectively, the "*Pro Forma* Financial Information"). The *Pro Forma* Financial Information is set out in Part 6 and Annexure 3 of the Circular to be issued by the Company on or about 14 December 2015.

The *Pro Forma* Financial Information has been compiled by the directors of the Company to illustrate the impact of the proposed acquisition of certain assets owned by Rustenburg Platinum Mines Limited ("RPM") (the "Transaction"), as detailed in the Circular, on the Company's financial position and changes in equity as at 30 June 2015 and the Company's financial performance for the period ended 30 June 2015.

As part of this process, the Company's earnings, diluted earnings, headline earnings and diluted headline earnings per share, statement of comprehensive income and statement of financial position have been extracted by the directors from the Company's published interim financial statements for the period ended 30 June 2015 ("Published Financial Information"), on which a review report has been published. In addition, the directors have calculated the net asset value and net tangible asset value per share as at 30 June 2015 based on financial information extracted from the Published Financial Information.

Directors' responsibility for the *Pro Forma* Financial Information

The directors of Sibanye are responsible for compiling the *Pro Forma* Financial Information on the basis of the applicable criteria as detailed in paragraphs 8.15 to 8.33 of the Listings Requirements of the JSE Limited and the SAICA Guide on *Pro Forma* Financial Information, revised and issued in September 2014 ("Applicable Criteria").

Reporting accountants' responsibility

Our responsibility is to express an opinion about whether the *Pro Forma* Financial Information has been compiled, in all material respects, by the directors on the basis of the Applicable Criteria, based on our procedures performed.

We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3420, Assurance Engagements to Report on the Compilation of *Pro Forma* Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the reporting accountants' comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled, in all material respects, the *Pro Forma* Financial Information on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any Published Financial Information used in compiling the *Pro Forma* Financial Information, nor have we, in the course of this engagement, performed an audit or review of the Published Financial Information used in compiling the *Pro Forma* Financial Information.

The purpose of *Pro Forma* Financial Information included in the Circular is solely to illustrate the impact of the Transaction on the unadjusted Published Financial Information as if the Transaction had been undertaken on 1 January 2015 for purposes of the *pro forma* earnings, diluted earnings, headline and diluted headline earnings per share and the *pro forma* statement of comprehensive income and on 30 June 2015 for purposes of the net asset value and net tangible asset value per share and statement of financial position. Accordingly, we do not provide any assurance that the actual outcome of the Transaction, subsequent to its implementation, will be as presented in the *Pro Forma* Financial Information.

A reasonable assurance engagement to report on whether the *Pro Forma* Financial Information has been properly compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the directors in the compilation of the *Pro Forma* Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Transaction and to obtain sufficient appropriate evidence about whether:

- the related *pro forma* adjustments give appropriate effect to the Applicable Criteria; and
- the *Pro Forma* Financial Information reflects the proper application of those *pro forma* adjustments to the unadjusted Published Financial Information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Company, the Transaction in respect of which the *Pro Forma* Financial Information has been compiled and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the *Pro Forma* Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis of the Applicable Criteria.

Yours faithfully
KPMG Inc.

Per: Henning Opperman
Chartered Accountant (SA)
Director

CORPORATE GOVERNANCE

Introduction

Sibanye has adopted high standards of accountability, transparency and integrity in the running of the business and reporting to shareholders and other stakeholders.

The approach to corporate governance is guided by the principles of fairness, accountability, responsibility and transparency. Special attention has been given to providing stakeholders and the financial investment community with clear, concise, accurate and timely information about Sibanye's operations and results; reporting to shareholders on an integrated basis on Sibanye's financial and sustainable performance; ensuring appropriate business and financial risk management; ensuring that no director, management official or other employee of Sibanye deals directly or indirectly in Sibanye shares on the basis of unpublished price-sensitive information regarding Sibanye, or otherwise during any prohibited period; and recognition of Sibanye's social responsibility to provide assistance and development support to the communities in which it operates and to deserving institutions at large.

Sibanye applies the principles contained in King III and has implemented the King III principles and recommendations across the Group.

Sibanye complies with all 75 King III principles save for the recommendation that employment contracts should not compensate executives for severance because of change of control (although this does not preclude payments for retaining key executives during a period of uncertainty). Please refer to Principle 2.25 in the table below.

Sibanye complies with all of the mandatory specific governance requirements contained in paragraph 3.84 of the JSE Listings Requirements.

Sibanye's Code of Ethics requires its directors, officers and employees to conduct business in an ethical and fair manner and it promotes a socially and environmentally responsible culture. The Audit Committee (comprising Mr KA Rayer, Mr RP Menell, Mr NG Nika, Ms SC van der Merwe) is responsible for ensuring compliance with the Code of Ethics. In addition to meeting the requirements of King III and The Sarbanes-Oxley Act of 2002, Sibanye also meets the relevant requirements of the Dodd-Frank Act (2010), the Foreign Corrupt Practices Act (1977), the UK Bribery Act (2010), the Organization for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997), the UN Convention against Corruption (2003) and South Africa's Prevention and Combating of Corrupt Activities Act (2004).

Composition of Board and procedures relating to nominations of directors

The Board is comprised of a majority of non-executive directors and the majority of the non-executive directors are independent. The Chief Executive Officer and Chief Financial Officer of Sibanye are *ex officio* members of the Board.

The Board regularly reviews its required mix of skills, experience and other qualities such as its demographics and diversity in order to assess the effectiveness of the Board. This is facilitated by means of an assessment of the Board as a whole, its Board committees, Sibanye's statutory committees and the contribution of each individual director.

Appointments to the Board are a matter for consideration of the Board as a whole and are made in a formal and transparent manner. In this process, the Board is assisted by the Nominating and Governance Committee, acting under the guidance of the Chairperson of the Board, which is tasked with developing and recommending to the Board criteria for selection of candidates to serve on the Board and assisting the Board with identifying and evaluating suitable nominees to recommend to shareholders for election.

The Chairperson is an independent director and the roles of the Chief Executive Officer and the Chairperson have been clearly segregated.

Division of responsibilities

There is a clear division of duties between the Executive Committee and the Board.

The Board retains full and executive control over the Company and is responsible for setting the direction of the Company through the establishment of strategies and key policies and the approval of financial objectives and targets. It monitors the implementation of strategies and policies through a structured approach to reporting by executive management. The Board has responsibility for the management of relationships with Sibanye's various stakeholders. The Board Charter formalises the objectives and responsibilities of the Board and the Chairperson. The Board meets formally at least quarterly.

The executive directors have the responsibility for the day-to-day running of the business and the execution of Sibanye's strategy, subject at all times to the policies and processes approved by the Board. The Executive Committee meets on a regular basis to discuss and make decisions on strategic and operating issues facing Sibanye. The composition of the Executive Committee includes the Chief Executive Officer and the Chief Financial Officer of Sibanye.

The Chairperson and Chief Executive Officer provide leadership and guidance to the Board and they also encourage proper deliberation of all matters requiring the Board's attention and obtain optimum input from the other directors.

Board and statutory committees

The Board committees comprise an Audit Committee, Social and Ethics Committee, Nominating and Governance Committee, Safety, Health and Sustainable Development Committee, Risk Committee and Remuneration Committee. All the committees are comprised exclusively of non-executive directors except for the Safety, Health and Sustainable Development Committee of which the CEO is also a member. The committees are all chaired by an independent non-executive director and operate in accordance with written terms of reference which have been approved by the Board.

Social and Ethics Committee

The Social and Ethics Committee is responsible for discharging its statutorily imposed duties as contemplated in section 72 of Companies Act and the applicable regulations. The Board seeks the assistance of the Social and Ethics Committee in ensuring that Sibanye complies with best practice recommendations in respect of social and ethical management.

Audit Committee

The statutory Audit Committee fulfils the duties imposed by section 94 of the Companies Act, monitors and reviews Sibanye's accounting controls and procedures, including the effectiveness of Sibanye's information systems and other systems of internal control; the effectiveness of the internal audit function; reports of both external and internal auditors; half yearly reports, 20-F registration statements and annual financial statements; the accounting policies of Sibanye and any proposed revisions thereto; external audit findings and reports, and the approval thereof; and compliance with applicable legal and regulatory requirements and Sibanye's Code of Ethics. On an annual basis, the Audit Committee considers and satisfies itself of the appropriateness of the expertise and experience of the Chief Financial Officer.

The Audit Committee consists only of independent non-executive directors, in compliance with the Companies Act and King III.

The Company's Chief Financial Officer and internal and external auditors attend all the Audit Committee meetings and have unrestricted access to the chairman of this committee. The Audit Committee, in turn, communicates freely with other members of the Board, not serving as members of the Audit Committee. To effectively perform its functions, the Audit Committee meets at least quarterly, but more frequently if required.

Risk Committee

This committee was established by the Board to assist the Board in ensuring that management implemented appropriate risk management processes and controls. The total process of risk management, which includes the related systems of internal control, is the responsibility of the Board. Management is accountable to the Board for designing, implementing and monitoring an integrated process of risk management with regard to the daily activities of Sibanye. The Board, through the Risk Committee, ensures that management implements appropriate risk management processes and controls. The responsibilities of the committee are as follows:

- Reviewing the effectiveness and efficiency of the Enterprise Risk Management (ERM) system within the Company, being assured that material risks are identified and that appropriate risk management processes are in place, including the formulation and subsequent updating of appropriate Company policies.
- Reviewing the adequacy of the risk management charter, policy and plan.
- Reviewing the parameters of the Company's risk/reward strategy, in terms of the risk appetite and tolerance relative to reward and ensuring that risks are quantified where practicable.

- Regularly receiving a register of the Company's key risks and potential material risk exposures from Management. Reviewing and approving mitigation strategies. Reporting to the Board any material changes and/or divergence to the risk profile of the Company.
- Monitoring the implementation of operational and corporate risk management plans.
- Reviewing the insurance and other risk transfer arrangements, and considering whether appropriate coverage is in place.
- Reviewing the business contingency planning process within Sibanye, being assured that material risks are identified and that appropriate contingency plans are in place.
- Conducting a formal risk assessment at least once a year, which should be continually reviewed, updated and applied.
- Ensuring that a combined assurance model is applied to provide a coordinated approach to assurance activities.

Nominating and Governance Committee

This committee is responsible for ensuring that new directors undergo an appropriate induction process; recommending to the Board the need for Board participation in continuing education programmes; identifying and recommending to the Board successors to the Chairman and CEO; developing the approach of Sibanye to matters of corporate governance; and making recommendations to the Board concerning such matters.

Remuneration Committee

The committee is responsible for determining Sibanye's remuneration policy and practices needed to attract, retain and motivate high performing executives who are demonstrably aligned with Sibanye's corporate objectives and business strategy and for ensuring that remuneration levels relative to other comparable companies are pitched at the desired level taking relative performance into account. The Remuneration Committee also reviews on behalf of the Board remuneration levels of senior executives and management share-incentive schemes, and the related performance criteria and measurements. To perform these functions the Remuneration Committee meets quarterly, or more frequently if required.

Safety, Health and Sustainable Development Committee

The Safety, Health and Sustainable Development Committee reviews adherence to occupational health, safety, environmental and social standards by Sibanye. The committee seeks to minimise mining-related accidents, to ensure that Sibanye's operations are in compliance with all environmental regulations and have established policy in respect of HIV/Aids and health matters.

Company Secretary

The Company Secretary is required to maintain an arm's length relationship with the Board and is not a Director. The Board considers and satisfies itself, on an annual basis, of the competence, qualifications and experience of the Company Secretary.

Corporate Citizenship

Sibanye has created a climate of high ethical standards in the workplace and complies with the laws of South Africa. Sibanye's Code of Ethics commits Sibanye, its directors and employees to conducting business in an ethical and fair manner, and to promoting a socially and environmentally responsible culture. Sibanye has an anonymous ethics telephone line to allow its employees, suppliers and customers to report any irregularities and misconduct without the fear of victimisation.

Sibanye has established policies and procedures dealing with HIV/Aids in the workplace and has a voluntary testing programme that has resulted in high proportions of the workforce taking ownership of their HIV/Aids status and, together with management assistance, through independent service providers, obtains the necessary counselling and anti-retroviral treatment.

Detailed narrative statement on the application of the principles set out in King III:

	Principle	Application/Explanation
1.1	The Board should provide effective leadership based on an ethical foundation.	The Board operates in accordance with a Board Charter which holds it responsible for developing and managing the strategy and control of Sibanye. Appointments to the Board have been made based on skill, expertise, and experience required to provide Sibanye with a strategy which is sustainable and ethical and also takes into account the short and long-term impacts on the economy, society and the environment and internal and external stakeholders. The Board is also accountable under the Code of Ethics of Sibanye.
1.2	The Board should ensure that the company is and is seen to be a responsible corporate citizen.	Under the Board Charter, the Board is required to consider the impact of Sibanye's operations on society and the environment in conjunction with its financial performance. The Board is cognisant that its performance and interaction with stakeholders is guided by the Constitution and the Bill of Rights and that it must procure that management develops and implements corporate citizenship policies and programmes with relevant stakeholders.
1.3	The Board should ensure that the company's ethics are managed effectively.	The Board Charter, along with the Code of Ethics, requires the Board to build and sustain an ethical corporate culture in Sibanye. Sibanye's ethics performance is measured by constant assessment, monitoring, reporting and disclosure.
2.1	The Board should act as the focal point for and custodian of corporate governance.	The Board operates in accordance with a Board Charter which sets out the Board's responsibilities to ensure that it directs, governs and maintains effective control of Sibanye and that relationships with management and stakeholders are monitored. The Board meets as often as is required, but at least four times a year.
2.2	The Board should appreciate that strategy, risk, performance and sustainability are inseparable.	The Board Charter requires the Board to inform and improve the strategy, which is aligned with the purpose of Sibanye, the value drivers of its business and the legitimate interests and expectations of its stakeholders. The strategy also takes cognisance of inherent risks and the need to achieve sustainable outcomes.
2.14	The Board and its directors should act in the best interests of the company.	The Board and directors are cognisant of their fiduciary and other duties and responsibilities under the Companies Act and King III. Directors exercise objective judgement and there is a Board-agreed process through which directors are permitted to take independent advice. The Board Charter establishes a procedure for managing conflicts of interest. Appropriate policies in respect of dealing in securities by the directors, management officials and other employees are enforced.
2.15	The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Companies Act.	The Board monitors the solvency and liquidity of Sibanye continuously and issues going-concern statements. This enables the Board to consider business rescue should Sibanye become financially distressed.

	Principle	Application/Explanation
2.16	The Board should elect a Chairman of the Board who is an independent non-executive director. The Chief Executive Officer (CEO) of the company should not also fulfil the role of Chairman of the Board.	The Chairman of the Board is an independent non-executive director and the CEO does not fulfil this function. The Board Charter prescribes that a lead independent director be appointed in the event that the Chairman is not independent. The Board Charter formalises the role of the Chairman and his performance is assessed annually.
2.17	The Board should appoint the CEO and establish a framework for the delegation of authority.	The Board has appointed a CEO of Sibanye, as well as key members of the senior management team, who function in terms of an approvals framework wherein the Board defines its own levels of materiality and delegates functions of management appropriately.
2.18	The Board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	The majority of the members of the Board are non-executive directors and the majority of such non-executive directors are also independent. In making further appointments to the Board, the Board complies with the Charter requirement of considering the appropriate skills and experience of the new candidate as well as the diversity and demographics required, to ensure that the Board can discharge its functions effectively.
2.19	Directors should be appointed through a formal process.	Appointments to the Board are a matter for consideration by the Board as a whole and are made in a formal and transparent manner. In this process, the Board is assisted by the Nominating and Governance Committee, acting under the guidance of the Chairman of the Board. The committee is tasked with developing and recommending to the Board criteria for selection of candidates to serve on the Board, and assisting Board with identifying and evaluating suitable nominees to recommend to shareholders for election.
2.20	The induction of and ongoing training and development of directors should be conducted through formal processes.	The Nominating and Governance Committee ensures that new directors undergo an appropriate induction process and recommends to the Board the need for Board participation in continued education programmes.
2.21	The Board should be assisted by a competent, suitably qualified and experienced Company Secretary.	The Board has appointed a Company Secretary who is not a director of Sibanye and who the Board believes is suitably qualified and experienced to fulfil his functions in assisting the Board and committees appropriately and on an objective, arm's length basis. The Board assesses the performance and suitability of the Company Secretary annually.
2.22	The evaluation of the Board, its committees and the individual directors should be performed every year.	The Board conducts annual evaluations of its performance against its roles and responsibilities, as well as that of individual directors. Each committee evaluates its own performance and the Nominating and Governance Committee monitors and reports to the Board periodically on the performance of the committees. An overview of this process is disclosed in Sibanye's Integrated Annual Report.
2.23	The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	All Board and statutory committees operate under formal terms of reference, which is reviewed on an annual basis. The composition of each committee, as well as a description of its terms of reference, is disclosed in Sibanye's Integrated Annual Report.

	Principle	Application/Explanation
2.24	A governance framework should be agreed between the group and its subsidiary Boards.	As a listed entity, the Board and management are cognisant that Sibanye must comply with the Listings Requirements of the JSE Limited, as well as any other stock exchange on which it is listed from time to time. Particular attention is paid to managing the trading of securities, closed periods and managing price sensitive information. The Board Charter requires the Board to respect the fiduciary responsibilities of any director serving on a subsidiary Board in a representative capacity.
2.25	Companies should remunerate directors and executives fairly and responsibly.	Sibanye complies with the principle that companies should remunerate directors and executives fairly and responsibly. The Remuneration Committee develops a remuneration policy aligned with the strategy of Sibanye and linked to individual performances. The policy addresses the base pay, bonuses, employee contracts, severance and retirement benefits, and share-based and other long-term incentive schemes. The one exception is the King III recommendation that employment contracts should not compensate executives for severance because of change of control, although this does not preclude payments for retaining key executives during a period of uncertainty. The employment agreements in relation to the CEO and the CFO have a provision for payments as a result of change of control. These employment agreements were, however, entered into before the unbundling of Sibanye from Gold Fields and on the same basis as senior executives of Gold Fields at the time. The relevant Gold Fields employment contracts were entered into before the guiding King III principle became effective. Except for the CEO and CFO none of the prescribed officers have entered into employment contracts that should compensate for severance because of change of control. The CEO and CFO who are currently entitled to the change of control compensation benefits will be grandfathered.
2.26	Companies should disclose the remuneration of each individual director and certain senior executives.	The remuneration report of Sibanye, which is published in its Integrated Annual Report, discloses the details of the remuneration for all directors and prescribed officers of Sibanye, in accordance with the requirements of the Companies Act, the Listings Requirements of the JSE Limited and King III.
2.27	Shareholders should approve the company's remuneration policy.	Every year, the remuneration report of Sibanye, is presented to shareholders to pass a non-binding advisory vote at Sibanye's annual general meeting.
3.1	The Board should ensure that the company has an effective and independent Audit Committee.	Sibanye has established an Audit Committee which has agreed terms of reference which complies with section 94 of the Companies Act and King III.
3.2	Audit Committee members should be suitably skilled and experienced independent non-executive directors.	The members of the Audit Committee are four, independent non-executive directors of Sibanye. The members have the requisite skills and experience required in respect of a mining entity and are also financially literate.
3.3	The Audit Committee should be chaired by an independent non-executive director.	The Chairman of the Audit Committee is an independent non-executive director.

	Principle	Application/Explanation
3.4	The Audit Committee should oversee integrated reporting.	The committee oversees, and takes responsibility for the integrity of the Integrated Annual Report. The committee reviews the financial statements and disclosure on sustainability issues included in the report and aims to ensure that no conflicts exist in respect of the information provided in the report.
3.5	The Audit Committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	The committee has ensured that an appropriate combined assurance model, which addresses all the significant risks of Sibanye, has been implemented.
3.6	The Audit Committee should satisfy itself of the expertise, resources and experience of the company's finance function.	The committee has satisfied itself of the appropriateness of the expertise and adequacy of resources of the finance function of Sibanye, including that of the Chief Financial Officer (CFO) of Sibanye. The results of such a review are disclosed in the Integrated Annual Report.
3.7	The Audit Committee should be responsible for overseeing the internal audit.	Pursuant to the terms of reference, the committee agrees to and approves the internal audit plan, evaluates the performance of the internal audit function, ensures that it is subject to an independent quality review and ensures that the internal audit function is adequately resourced.
3.8	The Audit Committee should be an integral component of the risk management process.	The committee oversees Sibanye's risk management process and in particular, takes cognisance of the financial reporting risks, internal financial controls, fraud risks and IT governance (including IT risks that relate to financial reporting).
3.9	The Audit Committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	The committee ensures compliance to the requirements of the Companies Act with regard to their responsibilities in respect of the external auditor's nomination (for appointment by shareholders), the terms of engagement and remuneration, the policy for non-audit services, reportable irregularities and the quality and effectiveness of the external auditor.
3.10	The Audit Committee should report to the Board and shareholders on how it has discharged its duties.	The Committee reports to the Board on its statutory duties and the duties assigned to it by the Board at each Board meeting. The Committee also reports to shareholders on its statutory duties and the same is disclosed in Sibanye's Integrated Annual Report.
4.1	The Board should be responsible for the governance of risk.	The Board is responsible for risk governance and delegates Sibanye's risk management function to the Risk Committee. The Risk Committee develops a policy and plan for a system and process of risk management, which is documented and approved by the Board on an annual basis.
4.2	The Board should determine the levels of risk tolerance.	The Board sets Sibanye's level of risk tolerance and the limits for Sibanye's risk appetite on an annual basis and monitors this accordingly.
4.3	The Risk Committee or Audit Committee should assist the Board in carrying out its risk responsibilities.	The Board delegates Sibanye's risk management function to the Risk Committee. The recommendations of King III in respect of the constitution of a Risk Committee have been met.

	Principle	Application/Explanation
4.4	The Board should delegate to management the responsibility to design, implement and monitor the risk management plan.	The Risk Committee delegates the development of the risk strategy to management through systems and processes. Management is accountable to integrating risk management into the daily activities of Sibanye.
4.5	The Board should ensure that risk assessments are performed on a continual basis.	The Risk Committee ensures that effective and ongoing risk assessments are performed and that a systematic, documented, formal risk assessment is conducted annually.
4.6	The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	The Risk Committee ensures that the risk management framework and processes in place are adequate for the purpose of anticipating unpredicted risks.
4.7	The Board should ensure that management considers and implements appropriate risk responses.	The Risk Committee ensures that management develops adequate risk responses and that these responses also identify opportunities, which could be considered by Sibanye.
4.8	The Board should ensure continual risk monitoring by management.	The Risk Committee ensures that there is effective and continual monitoring of risk management and that the responsibility for monitoring risk is defined in the risk management plan.
4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	The Risk Committee ensures management provides assurance that the risk management plan is integrated into the daily activities of Sibanye and internal audit provides a written assessment of the effectiveness of the system of internal controls and risk management to the Board.
4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.	The Audit Committee discloses in Sibanye's Integrated Annual Report any undue, unexpected or unusual risks, as well as the Board's view on the effectiveness of the risk management process.
5.1	The Board should be responsible for information technology (IT) governance.	The Board assumes responsibility for IT governance. The Board has delegated responsibility to the Audit Committee for overseeing of IT governance. The Audit Committee ensures that an IT charter and suitable policies, including an internal control framework, is developed and an independent assessment of the effectiveness of IT controls is conducted on an annual basis.
5.2	IT should be aligned with the performance and sustainability objectives of the company.	The Audit Committee ensures that Sibanye's IT strategy is integrated into Sibanye's strategic and business processes.
5.3	The Board should delegate to management the responsibilities for the implementation of an IT governance framework.	The Audit Committee ensures that management is responsible for the implementation of the structures, processes and mechanisms for the IT governance framework.
5.4	The Board should monitor and evaluate significant IT investments and expenditure.	The Audit Committee oversees the value delivery of IT and monitors the return on investment from significant IT projects. In addition, the committee also ensures that processes are in place to protect Sibanye's information systems.

	Principle	Application/Explanation
5.5	IT should form an integral part of the company's risk management.	The Audit Committee ensures that management demonstrates that Sibanye has adequate business resilience arrangements in place for disaster recovery and that Sibanye complies with all IT laws and related rules, codes and standards.
5.6	The Board should ensure that information assets are managed effectively.	The Audit Committee ensures that systems are in place for the management of information which includes security, information management and privacy.
5.7	A Risk Committee and Audit Committee should assist the Board in carrying out its IT responsibilities.	The Audit Committee ensures that IT risks are adequately addressed and that assurance is given to confirm that adequate controls are in place.
6.1	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Sibanye has adequate systems and functions in place to ensure that it complies with all applicable laws and any instances in respect of exceptions, shortcomings and proposed changes are managed by the Board.
6.2	The Board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business.	The directors appointed to the Board of Sibanye are suitably skilled and experienced with regard to the applicable laws, rules, codes and standards regarding Sibanye and its business. Ongoing training on updates are conducted at regular intervals.
6.3	Compliance risk should form an integral part of the company's risk management process.	Through Sibanye's Integrated Governance, Risk and Compliance Management Framework, the compliance risks are identified, assessed and responded to.
6.4	The Board should delegate to management the implementation of an effective compliance framework and processes.	An effective compliance framework provides the Board with assurances on the effectiveness of the controls and compliance with the laws, rules, codes and standards.
7.1	The Board should ensure that there is an effective risk-based internal audit.	Sibanye has established an internal audit function which the Board believes has adequate skills and resources to perform its prescribed role.
7.2	Internal audit should follow a risk-based approach to its plan.	The Internal Audit Plan is informed by the strategy and risks of Sibanye.
7.3	Internal audit should provide a written assessment of the effectiveness of the company's system of internal controls and risk management.	An Internal Audit Charter has been developed, which ensures that the internal audit function forms an integral part of the combined assurance model and this model is applied to financial, operational, compliance and sustainability issues. The assurance model forms part of an effective governance, risk management and internal control framework.
7.4	The Audit Committee should be responsible for overseeing internal audit.	Same as Principle 3.7
7.5	Internal audit should be strategically positioned to achieve its objectives.	Sibanye has established an independent internal audit function which reports to the Audit Committee. The internal audit function is suitably skilled and resourced. A quality assurance and improvement programme has been developed.

	Principle	Application/Explanation
8.1	The Board should appreciate that stakeholders' perceptions affect a company's reputation.	The Board ensures that good relations are maintained with Sibanye's major shareholders, and its strategic stakeholders and builds and maintains stakeholders' trust and confidence in Sibanye.
8.2	The Board should delegate to management to proactively deal with stakeholder relationships.	A policy has been established to manage relationships with stakeholder groups. This policy includes strategies in respect of mechanisms and processes to support constructive shareholder engagement, encourages attendance at meetings and disclosure in respect of Sibanye's dealings with stakeholders and the outcomes of those dealings.
8.3	The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company.	In exercising decisions in the best interests of Sibanye, the Board considers the legitimate interests and expectations of its stakeholders.
8.4	Companies should ensure the equitable treatment of shareholders.	In compliance with its responsibilities under the Companies Act and the Listings Requirements of the JSE, the Board is cognisant of its duty to ensure that all shareholders are treated equitably.
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	A policy has been developed, which sets out communication guidelines with stakeholders. The Board is cognisant of its responsibility to reporting clear, concise, complete, timely, relevant and accurate information to stakeholders, while having regard to the legal and strategic considerations.
8.6	The Board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible.	A policy establishing formal dispute resolution processes for addressing internal and external disputes exists. Sibanye also includes dispute resolution clauses in all of its agreements.
9.1	The Board should ensure the integrity of the company's integrated report.	Through the Audit Committee, the Board ensures that there are controls in place to enable it to verify and safeguard the integrity of the integrated report. In addition, the Audit Committee evaluates sustainability disclosures.
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting.	Sibanye's Integrated Annual Report discloses the positive and negative impacts of Sibanye's operations and the company's plans to improve these positions and eradicate or ameliorate the negatives in the year that follows.
9.3	Sustainability reporting and disclosure should be independently assured.	The Audit Committee oversees the compiling of Sibanye's Integrated Annual Report addressing all sustainability issues and ensures that the disclosures are independently assured.

EXECUTIVE SUMMARY OF COMPETENT PERSON'S REPORT ON THE RUSTENBURG OPERATIONS

1. EXECUTIVE SUMMARY

1.1 Purpose and structure of this Competent Person's Report

Rustenburg Operations are located centrally on the Western Limb of the Bushveld Complex, near the town of Rustenburg in North West Province (within the Republic of South Africa), approximately 123 kilometres ("km") west of Pretoria and 126 km northwest of Johannesburg. Rustenburg Operations comprise the Bathopele, Siphumelele, Thembelani and Khuseleka mining operations, two concentrating plants, an on-site chrome recovery plant, the Western Limb Tailings Retreatment plant ("WLTR plant") and associated surface infrastructure. The lease area covers an extensive 28 km strike length with the orebody extending 8 km down dip; Rustenburg Operations refers exclusively to this lease area and associated activities.

Rustenburg Operations exploits the platinum group element ("PGE") bearing Merensky and UG2 reefs to produce concentrate containing PGEs, as well as, gold and base metals. The converted and new order mining rights for the Rustenburg Operations mining area covers 15 351.8 hectares ("ha") and includes the use of various mining methods, namely bord and pillar, conventional stopping and trackless development.

The Kroondal and Marikana Pooling and Sharing Arrangements with Aquarius Platinum (South Africa) (Pty) Limited, Waterval Smelter, Rustenburg Base Metal Refinery ("RBMR"), Precious Metal Refinery ("PMR") and Western Limb Distribution Centre ("WLDC") are excluded from the Transaction and this CPR.

Sibanye Gold Limited ("Sibanye", or "the Client", or "the Group") requires the compilation of a Competent Person's Report ("CPR") to support its purchase of Rustenburg Operations. At the request of Sibanye, Snowden Mining Industry Consultants (Pty) Limited ("Snowden") has prepared this CPR. Snowden has fulfilled the role of CPR collator and peer reviewer, and has placed reliance on several third parties that have undertaken work for each discipline – these parties are noted in section 2.3 of the CPR.

Relevant documentation and information was reviewed and verified for accuracy by Snowden, Rustenburg Platinum Mines Limited ("RPM"), DRA Projects SA (Pty) Limited ("DRA"), Design to Mine Consulting Limited ("DTM") and Corporation (Pty) Limited ("Cyest"), collectively "the authors", for this CPR. Mr Quartus Snyman of RPM is the Competent Person ("CP") for Mineral Resources of the Rustenburg Operations; and Mr Frank Egerton of DRA is the CP for Mineral Reserves of the Rustenburg Operations and overall CP for this CPR. Mr John Miles (DTM) is the Competent Valuator and has undertaken the overall Valuation of the Mineral Asset.

On 9 September 2015, Sibanye reported the intended acquisition of Rustenburg Operations from RPM, through one of its subsidiaries, Sibanye Rustenburg Platinum Mines (Pty) Limited, for an upfront consideration of ZAR1.5 billion ("B") in cash or shares and a deferred consideration equal to 35% of the distributable free cash flows generated by the Rustenburg Operations over a six-year period, subject to a minimum nominal payment of ZAR3.0 B (referred to as "the Transaction"). Sibanye has reported that should there still be an outstanding balance at the end of the six-year period, Sibanye has the option to elect to extend the period by a further two years. Any remaining balance at the end of this period will be settled by Sibanye either in cash or shares. The Transaction agreements comprise a sale and purchase agreement, sale and toll treatment of concentrate agreement, use and access agreement and parent company guarantee. The implementation of the Transaction is both subject to and conditional on the fulfilment of conditions precedent customary for a transaction of this nature.

The compilation of this CPR is based on technical and financial data gathering undertaken between 1 October 2014 and 9 December 2015. The Report Date is 9 December 2015; and the Valuation Date is 1 October 2015. The authors of this CPR have followed the guidelines of the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2007 Edition, as amended in July 2009 ("SAMREC Code") and consider this CPR to be compliant with Table 1 of the SAMREC Code, and the SAMREC Code overall.

Platinum, palladium, rhodium and gold, are collectively referred to as "4E" or "3PGE+Au" and with the addition of ruthenium and iridum as "6E" in this report. The United States dollar ("US$") and South African Rand ("ZAR") are the principal currencies used in this report.

The CPR will be published in full on the Sibanye website (www.sibanyegold.co.za).

The Executive Summary is a true reflection of the full CPR.

Side-bar annotations in this CPR reference the Chapter 12 checklist of the Johannesburg Stock Exchange Limited ("JSE") Listing Requirements. 'T' annotations in the CPR headers reference Table 1 of the SAMREC Code and are cross-referenced in Appendix C (SAMREC Code Checklist), e.g. T1.7A(i) relates to Item 1.7A(i) in the SAMREC Code checklist; 'SV' annotations in the CPR headers reference Table 2 of the South African Code for the Reporting of Mineral Asset Valuation, 2008 Edition, as amended in July 2009 ("SAMVAL Code") and are cross-referenced in Appendix D (SAMVAL Code Checklist), e.g. SV 2.3 relates to clause 2.3 of the SAMVAL Code.

1.2 Mineral rights

Pursuant to the Transaction, Sibanye will acquire from RPM certain of RPM's exploration, development, mining, concentrating and tailings re-processing business forming part of its operating division known as the "Rustenburg Operations". The Rustenburg Operations presently comprises, *inter alia*, eight "converted" mining rights granted under the transitional provisions of Schedule II, and a single new order mining right granted under section 23 of the Minerals and Petroleum Resources Development Act, Act No. 28 of 2002 (as amended) ("MPRDA"), which are currently held by RPM. The mining rights are listed in Table 5.1.

RPM is in the process of consolidating the mining rights, in accordance with the provisions of section 102 of the MPRDA, into two mining rights. RPM intends transferring one of these mining rights (the Sale Right) to Sibanye, subject to obtaining approval under section 11 of the MPRDA. The Sale Right constitutes a consolidation of certain portions of mining rights 80 MR, 81 MR, 83 MR, 84 MR and 86 MR, as well as the entire mining area covered by mining rights 43 MR, 79 MR and 85 MR, into 82 MR. The balance of the mining rights will be consolidated into 80 MR and will be retained by RPM ("Retained Right").

1.3 Summary of geology and mineralisation

The Bushveld Complex ("BC") is estimated to have formed approximately 2 060 Ma ago. Its mafic rock sequence, the Rustenburg Layered Suite ("RLS"), is the world's largest known mafic igneous layered intrusion and contains more than 90% of the world's known reserves of PGEs. The RLS occurs geographically as five apparently discrete compartments termed "limbs", three of which are being exploited for PGEs. These are the Western, Eastern and Northern Limbs.

The Pilanesberg Complex, the remnant of an alkaline volcanic plug, which intruded into the Bushveld Complex about 1 250 Ma, splits the Western Limb into two lobes (northwestern and southwestern) while the Eastern Limb is split into two lobes (northeastern and southeastern lobes) by the Steelpoort Fault. The Rustenburg Operations is located south east of the Pilanesberg Complex on the Western Limb.

Two main, regional facies of the Merensky Reef are recognised in the Western Limb of the RLS, namely the Swartklip Facies and the Rustenburg Facies, north and south of the Pilanesberg Complex respectively. The delineation of these facies sub-divisions relate to a much thinner vertical separation between the Merensky Reef and the UG2 horizons in the Swartklip Facies, originally identified north of the Pilanesberg, but also now also recognised in down dip sections of the RLS south of the Pilanesberg.

The persistence of the Merensky Reef and UG2 Reef in the Rustenburg Operations Lease Area has been confirmed mainly by extensive surface and underground drilling as well as 3D seismic surveys. The only aberration to this pattern is in the vicinity of the two major dunite pipes, the Brakspruit and Townlands pipes.

The main PGE bearing reefs form an open arc from east to west, with the strike varying from 90° in the east to 145° in the west. The dip of the reef is generally constant, at between 9° and 10°. On the farm Paardekraal, the dip decreases locally to between 1° and 5° (in a feature called the Regional Depression) and increases to between 15° and 30° along a monocline trending roughly east to west at depth. The dip decreases to between 3° and 7° across the farms Klipgat and to a lesser extent Turffontein, in a graben area, roughly trending east to west.

The Merensky Reef and UG2 Reef layers occur in the Upper Critical Zone stratigraphy of the RLS, which comprises well-developed cyclic units divided into various well defined sub-units as follows:

- Bastard Pyroxenite;
- Merensky Reef;
- Merensky Footwall;
- UG2 Hangingwall;
- UG2 Chromitite Layer/Reef; and,
- UG1 Chromitite Layer.

The Merensky Reef is, in most instances, well defined and typically consists of a pegmatoidal feldspathic pyroxenite layer, bounded on the top and bottom by thin chromitite layers. A notable feature of the Merensky Reef is the regularity of thickness, within limits of 5 cm to 60 cm, over large areas. However, variation does occur and the pegmatoidal feldspathic reef can vary locally in thickness, from a few centimetres up to approximately 1.5 m. The Merensky Reef contains economically important base metal sulphide ("BMS") and PGE mineralisation. Mineralisation of the Merensky Reef generally occurs in the pegmatoidal feldspathic pyroxenite and to a limited extent in the hangingwall and footwall, with highest PGE concentration peaking at the chromitite stringers.

The UG2 Reef, which is consistently developed throughout the RLS, is rich in chromitite but with lower gold, copper and nickel values as compared to that of the Merensky Reef. The UG2 Reef average thickness varies between 55 cm and 75 cm, and comprises a single, well developed chromitite layer. Within the Rustenburg Operations Lease Area, the UG2 Reef occurs vertically between 90 m and 150 m below the Merensky Reef and dips in a northerly direction. The UG2 Reef is more prone to undulations than the Merensky Reef resulting in rolling reef.

As at all other platinum mines, the Merensky Reef and the UG2 Reef are affected by structural and other geological features, including potholes and Iron Rich Ultramafic Pegmatoids ("IRUPs"), which result in geological losses and impact on mining.

1.4 Data verification

Data validation is undertaken according to RPM standards and protocols; and includes drilling, logging, sampling, assaying, quality assurance/quality control ("QA/QC"), database management data components.

RPM manages the drillhole data in the SABLE Data Warehouse ("SABLE") database, and use its in-built validations to check for logging continuity within individual drillholes/deflections, missing information and other basic checks. Underground grade control sample section data is stored in a separate database. Outside of the databases, an iterative validation-editing cycle was followed. Prior to any Resource modelling exercise, extensive validation procedures were used to check the drillhole and underground sample section information, which includes the information available from other sources (such as from surrounding mining operations if available).

The validation procedures enable the more fundamental validations to be automated with errors and inconsistencies being flagged, reported and followed-up/verified prior to being accepted for resource modelling consideration.

1.5 Mineral Resource and Mineral Reserve

The Merensky and UG2 Resource models are updated by a dedicated Resource Modeller at the Rustenburg Operations. This is completed annually after the drillhole and underground Mineral Resource Management ("MRM") database sign-offs and subsequent structural and geological loss sign-offs. The Merensky and UG2 resource models are reviewed and compared to the previous year's resource model and signed off by a competent person's team prior to being handed over to the mine planning department.

Snowden has undertaken various audits on behalf of RPM and considers that changes in the geological loss, domain and mining width/cut definitions and structural interpretation will not materially affect the overall resource number estimates or confidence and therefore assigns a low to medium risk to these (Snowden, 2015c).

In January 2015, Snowden completed a detailed Mineral Resource and Mineral Reserve estimate audit of Rustenburg Operations (Snowden, 2015c). It was Snowden's opinion that the evaluation and reporting of the Resource and Reserves was completed to appropriate standards (Snowden, 2015c). No material errors were identified with the Resource and Reserve estimate and recommended that Anglo American Platinum Limited ("AAPL") can confidently rely on the Resource and Reserve estimates for Rustenburg Operations Life of Mine ("LoM") scheduled and public reporting.

The data collection processes, data validation and QA/QC as well as interpretation and estimation methods used to arrive at the Mineral Resource statements for Rustenburg Operations Lease Area have been reviewed by Snowden (Snowden, 2015c).

1.5.1 Geological modelling

A standardised AAPL Group approach is used to estimate the geological losses for Resources at the Rustenburg Operations. This involves identification and quantification of the geological losses from all possible sources, historic mining, surface exposure and any geophysical and geological exploration data. This ensures that geological losses are determined in a standardised manner once a year. The final geological loss estimates are signed off annually together with the completion of the Geological Structural Model, to ensure the best possible input into the Company's Business and Mine Planning processes. The total geological losses, determined by structural domain, are divided into known and unknown geological losses for appropriate use in mine planning and scheduling. This is defined by similar geological attributes regarding structural characteristics and complexity and/or geological loss feature frequency, size or distribution.

Consideration is given to regional aspects such as facies like pothole reef versus normal reef, aspects of dip, strike and undulation characteristics. Pothole size, frequency and distribution as well as dyke and or fault characteristics and frequency play a major role when defining areas of similarity. Ground conditions, such as jointing in the hangingwall and/or footwall are also considered. The correct zoning of structural domains and the annual review and revision, if needed, represents an essential step prior to the actual measurements and estimation process. In most instances there is a structural domain defined from historic mining which corresponds to an area to be estimated ahead of mining, but deemed to have similar structural geological characteristics.

1.5.2 Grade estimation

The estimation parameters were defined using a kriging neighbourhood analysis ("KNA") and the variogram models defined by the Merensky and UG2 Geozones respectively. The KNA tested the impact of different estimation parameters on the estimate by interpreting changes in the kriging efficiency and kriging variance.

The Merensky Reef in the poorly (sparsely) and moderately informed area the kriging efficiency and kriging variance reaches stability at a block size of approximately 300 m. Within the Merensky Reef well-informed areas (underground sample sections and drillholes) the kriging efficiency and kriging variance reaches stability at a block size of approximately 100 m.

The UG2 Reef in the poorly (sparsely) and moderately informed area the kriging efficiency and kriging variance reaches stability at a block size of approximately 500 m. Within the UG2 Reef well-informed areas (underground sample sections and drillholes) the kriging efficiency and kriging variance reaches stability at a block size of approximately 125 m.

The East and West Waterval tailings dam estimation parameters were defined using KNA. The KNA tested the impact of different estimation parameters on the estimate by interpreting changes in the kriging efficiency and kriging variance ordinary kriging in three dimensions was used, utilising the Datamine software package. The Waterval tailings dam modelling procedure follows the standardised AAPL Group approach three dimensional ("3D") modelling techniques as applied to the tailings dams. The top of dam is defined from the topographic survey while the base of the dam is defined by the lowermost contact as intersected by the drillholes. The 3D tailings dam model validation includes a comparison of PGE grade plots of the model and drillhole data, utilising identical colour legend intervals. The model validation has shown very good correlation between the model and drillhole intersections.

Search distances for grade and width estimation were based on variogram ranges for each element. A minimum of seven and a maximum of 20 samples were used for estimation as determined from the KNA. Multiple search passes were used to estimate blocks not populated by the first search pass. The minimum and maximum number of samples used remained constant, except in the third pass where they increased to 20 and 40 respectively.

1.5.3 Mineral Resource statement

The Mineral Resources of the Rustenburg Operations are classified, verified, and reported in accordance with JSE Listings Requirements, industry and professional guidelines. The classifications are based on the SAMREC Code.

Reporting is undertaken by professionals with appropriate experience in the estimation, economic evaluation, exploitation, and reporting of mineral resources relevant to the various styles of mineralisation under consideration. RPM's experience with the various orebodies that it is evaluating and mining spans decades, with the result that RPM personnel have a thorough understanding of the factors important to the assessment of their economic potential.

Mineral Resources are, by definition, exclusive of any diluting materials that might arise as a consequence of the mining method and specific geological circumstances applicable to the mining of that Mineral Resource. Table 1.1 below shows the total Mineral Resources for the entire mine property as at 1 October 2015.

Table 1.1 Total Mineral Resources inclusive of Mineral Reserves as at 1 October 2015

Orebody	Category	Tonnes (Mt)	4E grade (g/t)	4E (Moz)	Pt grade (g/t)	Pd grade (g/t)	Rh grade (g/t)	Au grade (g/t)	Base metals Cu (%)	Base metals Ni (%)
Merensky Reef	Measured	66.5	6.18	13.2	3.96	1.67	0.24	0.30	0.101	0.226
	Indicated	43.0	5.95	8.2	3.77	1.64	0.23	0.30	0.107	0.224
	Inferred	11.0	5.75	2.0	3.61	1.61	0.24	0.28	0.097	0.203
	Total resource	**120.5**	**6.06**	**23.5**	**3.86**	**1.66**	**0.24**	**0.30**	**0.103**	**0.225**
UG2 Reef	Measured	331.9	4.69	50.0	2.57	1.61	0.48	0.04	0.009	0.096
	Indicated	87.1	5.01	14.0	2.71	1.76	0.49	0.05	0.009	0.096
	Inferred	4.3	5.22	0.7	2.80	1.86	0.52	0.04	0.009	0.096
	Total resource	**423.3**	**4.76**	**64.8**	**2.60**	**1.64**	**0.48**	**0.04**	**0.009**	**0.096**
Tailings	Measured	87.6	1.07	3.0	0.64	0.30	0.05	0.09	0.019	0.078
	Indicated	6.6	1.20	0.3	0.70	0.34	0.04	0.11	0.019	0.078
	Inferred	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Total resource	**94.2**	**1.08**	**3.3**	**0.64**	**0.30**	**0.05**	**0.09**	**0.019**	**0.078**
4E prill split (as %)										
Merensky Reef					63.8	27.3	4.0	4.9		
UG2					54.6	34.5	10.1	0.8		
Tailings					59.4	27.6	4.4	8.7		

Source: RPM, 2015

Note: No Resource cut-off applied. Totals may not add up due to rounding.
Mineral Resource is stated Inclusive of Mineral Reserve.

A portion of the Rustenburg Operations' Mineral Resources, amounting to 20.9 Mt at 4.95 g/t (3.3 Moz 4E) of UG2 has been excluded from the Transaction as it has been historically committed to the Kroondal PSA on a royalty basis. Table 1.2 excludes these Mineral Resources and reflects the Mineral Resource base for the Transaction.

Table 1.2 Total Mineral Resources excluding royalty ground as at 1 October 2015

Orebody	Category	Tonnes (Mt)	4E grade (g/t)	4E (Moz)	Pt grade (g/t)	Pd grade (g/t)	Rh grade (g/t)	Au grade (g/t)	Base metals Cu (%)	Base metals Ni (%)
Merensky Reef	Measured	66.5	6.18	13.2	3.96	1.67	0.24	0.30	0.101	0.226
	Indicated	43.0	5.95	8.2	3.77	1.64	0.23	0.30	0.107	0.224
	Inferred	11.0	5.75	2.0	3.61	1.61	0.24	0.28	0.097	0.203
	Total resource	**120.5**	**6.06**	**23.5**	**3.86**	**1.66**	**0.24**	**0.30**	**0.103**	**0.225**
UG2 Reef	Measured	316.4	4.67	47.5	2.56	1.60	0.48	0.04	0.009	0.096
	Indicated	82.2	5.01	13.2	2.71	1.76	0.49	0.05	0.009	0.096
	Inferred	4.3	5.22	0.7	2.80	1.86	0.52	0.04	0.009	0.096
	Total resource	**402.9**	**4.75**	**61.5**	**2.59**	**1.64**	**0.48**	**0.04**	**0.009**	**0.096**
Tailings	Measured	87.6	1.07	3.0	0.64	0.30	0.05	0.09	0.019	0.078
	Indicated	6.6	1.20	0.3	0.70	0.34	0.05	0.11	0.019	0.078
	Inferred	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Total resource	**94.2**	**1.08**	**3.3**	**0.64**	**0.30**	**0.05**	**0.09**	**0.019**	**0.078**
4E prill split (as %)										
Merensky Reef					63.8	27.3	4.0	4.9		
UG2					54.5	34.4	10.1	0.8		
Tailings					59.4	27.6	4.4	8.7		

Source: RPM, 2015

Note: No Resource cut-off applied. Totals may not add up due to rounding.
Mineral Resource is stated Inclusive of Mineral Reserve.

The Hoedspruit Mineral Resource is discussed in section 7.2.10 and comprises Merensky Reef and UG2 Reef mineralisation. This area does not form part of the Mineral Resources presented in Table 1.1 and Table 1.2. The Hoedspruit Mineral Resource comprises 8.8 Mt at 5.35 g/t (1.6 Moz), equivalent to less than 2% of the overall Mineral Resource.

1.5.4 Mineral Reserve Statement

In terms of clause 32 of the SAMREC Code, mining and non-mining related modifying factors have been verified as realistic and have resulted in an economically viable Proved and Probable Mineral Reserve, as shown in Table 1.3.

In Table 1.3, Level 1 ("L1") represents production that is available from the current infrastructure developed using approved project capital expenditure and derived from Measured and Indicated Mineral Resources. Planning Level 2 ("L2") represents production requiring new project capital expenditure but is also derived from Measured and Indicated Mineral Resources.

Table 1.3 Total Mineral Reserve estimate as at 1 October 2015, for underground and surface ore sources

Reserve classification	Tonnes (Mt)	4E grade (g/t 4E)	Ni grade (%)	Cu grade (%)	4E content (Moz)	Prill splits Pt (%)	Pd (%)	Rh (%)	Au (%)
Merensky L1 + L2									
Proved	14.04	5.46	0.11	0.01	2.47	64.1	27.3	4.0	4.6
Probable	0.66	5.26	0.12	0.01	0.11	64.5	27.0	4.0	4.5
Mineral Reserve	**14.70**	**5.45**	**0.11**	**0.01**	**2.58**	**64.1**	**27.3**	**4.0**	**4.6**
UG2 L1 + L2									
Proved	132.72	3.67	0.11	0.01	15.67	54.3	34.7	10.3	0.8
Probable	21.13	4.20	0.11	0.01	2.85	53.8	35.7	9.7	0.8
Mineral Reserve	**153.85**	**3.74**	**0.11**	**0.01**	**18.52**	**54.3**	**34.8**	**10.2**	**0.8**
Tailings storage facility(ies)									
Proved	77.56	1.00	0.07	0.02	2.49	62.9	28.3	5.2	3.8
Probable	15.56	1.06	0.07	0.02	0.53	61.3	28.6	6.1	4.0
Mineral Reserve	**93.12**	**1.01**	**0.07**	**0.02**	**3.02**	**62.6**	**28.3**	**5.3**	**3.8**
Total reserve summary									
Proved	224.32	2.86	0.10	0.02	20.63	56.5	33.0	8.9	1.6
Probable	37.35	2.91	0.09	0.02	3.49	55.3	34.4	9.0	1.4
Mineral Reserve	**261.67**	**2.87**	**0.10**	**0.02**	**24.12**	**56.4**	**33.2**	**8.9**	**1.5**

Source: DRA, 2015

Notes:

1. *L1 Reserve as at 1 October 2015 based on nine-month forecasted and scheduled depletion from MRE as declared on 31 December 2014.*
2. *Economic tail cut applied to the Mineral Reserve Estimate.*
3. *Tailings Surface ore sources Reserve as at 1 October 2015 based on nine-month actual survey measured depletion of surface TSF ore sources from remaining surface ore sources as declared on 31 December 2014.*

1.6 Development and operations

Salient features of the Rustenburg Operations include a planned average annual 4E production of 861 koz (including 504 koz platinum) over the period 2016 to 2020; a 4E inclusive Resource of 88.3 Moz as at 1 October 2015; and 4E Mineral Reserves of 24.1 Moz as at 1 October 2015.

1.6.1 Mining

Ore is mined using underground mining methods from two orebodies, the Merensky and UG2 Reefs at various shafts located on the Rustenburg Operations Lease Area. Waste rock generated from the mining activities is placed on individual waste rock dumps at the shafts.

The mining assets formerly comprised five underground mines including Khuseleka, Thembelani, Khomanani, Siphumelele, and Bathopele. These were consolidated in 2013 to form the three mines of Thembelani (includes Khuseleka), Siphumelele and Bathopele , while Khomanani 1, Khomanani 2 and Khuseleka 2 shafts were placed on care and maintenance ("C&M").

The planned LoM for Rustenburg Operations extends to 2041; but there are plans to close some of the individual shafts before then.

1.6.2 Processing

Ore is transported from the shaft areas via rail and conveyor to the Waterval concentrators (comprising the Waterval UG2 concentrator and the Waterval Retrofit concentrator). The ore is then crushed, followed by two-stage milling and flotation where reagents are added to produce a slurry concentrate. The slurry concentrate is delivered to the Waterval Smelter where it is weighed and sampled, dried, melted and undergoes a converting process – the Anglo Platinum Converting Process ("ACP"), to generate matte. The crushed matte is sent to RBMR to produce base metals (copper, nickel, cobalt and sodium sulphate). Resulting matte and concentrate is received by the PMR where the concentrate is refined into the respective PGEs (platinum, palladium, rhodium, iridium, ruthenium, osmium and gold), to a high degree of purity. The Chrome Retreatment Plant ("CRP") treats Waterval UG2 concentrator tailings to recover a saleable chromite concentrate. Tailings generated from the Waterval concentrators is transferred and deposited on the Paardekraal tailings storage facility ("TSF").

The WLTR plant was constructed in order to reprocess tailings residue from the Klipfontein TSF. The process involves the remining of the existing TSFs and the processing of slurry at the WLTR plant. Tailings generated from the WLTR plant process is transferred and deposited on the Hoedspruit TSF.

1.6.3 Sub-let areas and other assets

Rustenburg Operations has leased an old disused pit to the Rustenburg Municipality for proposed use as a waste disposal site. An Environmental Impact Assessment ("EIA") has been approved by the Department of Environmental Affairs ("DEA") to establish and develop a general landfill site within the open pit area. Contractual arrangements have been put in place to ensure that the Municipality, as a third party, operates the landfill in accordance with expected technical best practice and good governance. In terms of the Environmental Management Plan ("EMP") which is based on the EIA, the Municipality will implement closure requirements at the end of life, at its cost.

In addition, third party contractors crush rock at some of the waste rock dumps for off-site usage, converting mining waste to crushed product.

1.6.4 Care and maintenance

A combination of factors necessitated a major portfolio review by RPM, which commenced in 2012. The key recommendation of the portfolio review was the plan to reduce production targets to more closely align output with expected future demand and stop the production of loss-making ounces. Important outcomes of the review included placement of three shafts, Khuseleka 2, Khomanani 1 and Khomanani 2 on long-term C&M (in addition to Siphumelele 3 and Thembelani 2, which were previously placed on C&M).

1.7 Mineral asset valuation

An independent valuation of the Mineral Reserves, Mineral Resources and exploration results of the mineral asset was undertaken. Unless explicitly stated, the valuation and associated information is provided on the basis of 100% of the mineral rights contained in the mineral asset, excluding the Kroondal PSA. The value attributable to Rustenburg Operations is based on the corporate structure outlined in Figure 3.2, whereby 100% of the mineral asset value is attributable to Sibanye.

The compilation of this CPR is based on technical and financial data gathering undertaken between 1 October 2014 and 9 December 2015. The Report Date is 9 December 2015; and the Valuation Date is 1 October 2015.

1.7.1 Valuation approaches and methods

The SAMVAL Code requires that a Competent Valuator must apply at least two valuation approaches in determining a mineral asset valuation. The three generally accepted mineral asset valuation approaches are:

- Cash flow or DCF approach:
  - The cash flow approach relies on the "value-in-use" principle and requires determination of the net present value ("NPV") of future cash flows over the useful life of a mineral asset. This approach is used in the valuation of the mineral asset.
- Market Approach:
  - The Market Approach relies on the principle of "willing buyer, willing seller" and requires that the amount obtainable from the sale of the mineral asset is determined as if in an arm's length transaction. The Market Approach followed applies a rand value per *in-situ* resource tonne determined by analysis of the transactional value of recently traded similar mineral assets. This approach is used in the valuation of the mineral asset.
- Cost approach:
  - The cost approach relies on historical and/or future amounts spent on the mineral asset. This approach is usually applied to early exploration assets and has not been used in the valuation of the mineral asset considered in this report.

1.7.2 Cash flow approach valuation

The cash flow valuation model is referred to as the Cash Flow Model in this report. All cost information has been provided in mid-2015 money terms and the original production and cost schedule commenced on 1 January 2015. The Cash Flow Model has been modified to a new start date of 1 October 2015, with discounting from the same date.

The Cash Flow Model runs from Q4 2015 to FY2041, with financial years ending 31 December, and is undertaken in nominal terms. The results of the Cash Flow Model are presented in both nominal and Real terms. The NPV is determined from the post-tax, pre-dividend and pre-finance cash flow projections from the operation.

Only Mineral Reserves are considered in the Cash Flow Model; no Inferred Mineral Resources have been included.

LoM production projections

The Cash Flow Model is based on physical projections for mining and processing production provided by DRA for the Bathopele, Siphumelele, Thembelani and Khuseleka production centres and separated by reef type (Merensky or UG2) as well as the planning level. The production and necessary development has been scheduled using appropriate software and the format of the underlying data is given in months for the first three years (2015 to 2017) and thereafter annually. The mining production schedule has been developed from first principles.

The processing schedule reflects Run of Mine ("RoM") ore production from the Investment Centres outlined in section 8.1, with ore processed at the Waterval Retrofit concentrator and the Waterval UG2 concentrator as well as tailing dump re-treatment. Tailings re-treatment currently comprises the separate WLTR plant that has limited remaining life, while the Waterval historical tailings are extensive and will be processed through the Waterval Retrofit concentrator.

All recovered content is assumed equivalent to metal produced for revenue purposes. The metals are contained in a concentrate that is being delivered to RPM's refining and smelting facilities.

In addition to the RoM and tailings re-treatment facilities, a CRP is operated by a third party to recover a chromite concentrate from the UG2 concentrator tailings. The production of the CRP has been modelled to include this as a contribution to net revenue for the Rustenburg Operations.

The DRA production projections commence 1 January 2015 but only the projections commencing 1 October 2015 have been used as part of the Cash Flow Model to respect the model start date of 1 October 2015. The modified schedule does not account for any differences between forecast and actual production for the period January 2015 to September 2015.

Actual RoM production for the period January 2015 to September 2015 is 4% higher in terms of tonnes processed and 3% lower in terms of recovered 4E metal than reflected by the original schedule. Production at Thembelani has been lower than planned but the overall shortfall has been reduced by positive variances at other shafts. The overall shortfall in tonnes and recovered ounces compared to the LoM RoM tonnage and recovered ounces of 168.6 Mt and 18.0 Moz is not material; and the use of the original projections from 1 October 2015 are considered to be still appropriate.

Metal prices and fiscal assumptions

Commodity price forecasts for platinum, palladium, rhodium, gold, nickel, copper and cobalt as well as for the ZAR/US$ exchange rate have been taken from an institutional consensus forecast as at August 2015. The consensus forecast comprises 17 institutions that have provided price forecasts between July 2015 and August 2015 and provides nominal metal prices for the next five years (2015 to 2019) and a long-term real price in mid-2015 money terms. The median consensus price forecast has been used as an input to the Cash Flow Model. The prices for ruthenium and iridium have been provided by SFA (Oxford). The metal price and exchange rate assumptions from the consensus forecast are shown in Table 1.4.

Table 1.4 Price and exchange rate assumptions (Real)

Metal	Unit	2015	2016	2017	2018	2019	LT
Platinum	US$/oz	1 173	1 224	1 317	1 407	1 389	1 500
Palladium	US$/oz	778	813	862	875	827	850
Rhodium	US$/oz	1 118	1 371	1 772	1 822	2 296	1 750
Gold	US$/oz	1 194	1 170	1 197	1 173	1 183	1 200
Ruthenium*	US$/oz	58	58	58	58	58	58
Iridium*	US$/oz	500	500	500	500	500	500
Nickel	US$/lb	6.23	7.11	7.39	7.70	7.81	8.16
Copper	US$/lb	2.69	2.69	2.87	3.05	2.87	2.95
Cobalt	US$/lb	13.6	13.2	12.9	12.7	12.3	11.9
Exchange rate	US$1:ZAR	11.98	11.92	11.83	11.44	11.51	11.93

Source: ICF, 2015

*Note: * Price forecast from SFA (Oxford), 2015*

The exchange rate and US denomintated metal prices for 2015 are recognised as different to the current exchange rate and spot prices. However, in ZAR terms the metal prices are more comparable with the consensus 2015 price for platinum and palladium some +3% and -2% to current prices respectively. The current rhodium price in ZAR terms is significantly lower than the 2015 consensus price, but this is compensated for by a stronger ZAR gold price. Overall the weighted 4E consensus basket price is some 5% higher than current prices. The consensus price forecast projects a long-term 4E basket price that is some 20% higher, in ZAR terms, than that forecast for 2015. The long-term 4E basket price has been applied in the Cash Flow Model from 2020 onwards.

Purchase and toll treatment of concentrate

The net revenue in the Cash Flow Model is based on the terms and conditions of the sale and toll treatment of concentrate agreement entered into between Sibanye and RPM for the concentrate generated by the Rustenburg Operations. The agreement principally comprises purchase of concentrate ("PoC") terms and conditions for all metals modelled in the Cash Flow Model to end December 2018 followed by toll treatment terms and conditions for the 4E metals (platinum, palladium, rhodium and gold) for a further eight years to end December 2026. During the toll treatment period the remaining metals (nickel, copper, ruthenium, iridium and cobalt) will continue to be subject to PoC terms and conditions. For the purposes of the Cash Flow Model, the toll treatment period terms and conditions have been assumed to continue for the LoM.

1.7.3 **Operating expenditure ("opex")**

Estimates of operating costs have been developed and provided by Cyest, according to the LoM schedule commencing 1 January 2015. The operating costs estimates have been developed in mid-2015 money terms.

The operating costs used in the Cash Flow Model have had real escalation applied to the categories of labour and utilities to account for anticipated above SA CPI inflation increases to wages and utilities respectively. For labour and utilities real inflation of 2.5% and 7% respectively has been assumed for three years from 2016 to 2018. This results in a long-term escalation factor applied to the source costs for labour and utilities of 1.08 and 1.23 respectively. A summary of the Cash Flow Model operating costs for 2016 (first full production year), 2017 and 2018 is given in terms of cost category (Table 1.5), excluding and including real terms inflation.

The principal cost is labour which represents 61% of shaft head costs and 48% of total costs. Power represents 7% of total costs and is the principal element of the utility cost category. Explosives and concentrator reagents are the main consumables of the stores cost.

Overhead costs include central services, management, group centralised costs ("GCC") and other indirect costs ("OIC"). Central services costs include production services such as centralised railways and engineering workshops, and non-production services such as accommodation and protection services. GCC includes shared services such as IT, accounting and employee services. OIC includes costs such as share-based payments, audit fees, and guarantee charges.

Table 1.5 Operating expenditure by cost category (ZAR M)

	Value in ZAR M					
Cost category	**Mid-2015 money terms**			**Real**		
	2016	**2017**	**2018**	**2016**	**2017**	**2018**
Labour	3 267	3 301	3 445	3 348	3 468	3 710
Stores	1 152	1 198	1 225	1 152	1 198	1 225
Sundry expenses	203	203	214	203	203	214
Contractors	418	440	439	418	440	439
Utilities	392	394	407	420	451	499
Shaft head cost	**5 433**	**5 536**	**5 731**	**5 542**	**5 760**	**6 087**
Labour	175	139	139	180	146	150
Stores	400	407	411	400	407	411
Sundry expenses	130	130	130	130	130	130
Contractors	0	0	0	0	0	0
Utilities	344	345	346	368	395	424
RoM processing	**1 049**	**1 021**	**1 026**	**1 078**	**1 078**	**1 114**
Tailings processing	468	216	216	480	230	238
Processing	**1 517**	**1 237**	**1 242**	**1 557**	**1 308**	**1 352**
Overhead	1 377	1 387	1 393	1 395	1 424	1 451
Total operating costs	**8 327**	**8 161**	**8 366**	**8 494**	**8 493**	**8 890**
Unit opex	**Unit costs in ZAR/t**					
Mining	740	720	730	760	750	780
Processing (excl. tailings)	140	130	130	150	140	140
Overhead	190	180	180	190	190	190
RoM operating costs	**1 070**	**1 030**	**1 040**	**1 100**	**1 080**	**1 110**
Total operating costs*	**610**	**740**	**740**	**620**	**770**	**790**

Source: Cash Flow Model, 2015

*Note: * Total operating costs includes tailings and processing costs and additional tailings tonnages*

The overall impact of the real escalation applied in the Cash Flow Model is to increase costs by 6% above the base costs of which mining is increased by 7% and processing by 6%. The LoM average unit cost is ZAR1,170/t RoM of which mining, processing and overhead comprise ZAR810/t RoM, ZAR150/t RoM and ZAR210/t RoM respectively. Total LoM unit operating cost including the processing of tailings is ZAR780/t (RoM plus tailings).

Mining, processing and overhead operating costs are discussed in detail in section 8.7 and section 9.6 and the section above respectively.

1.7.4 Capital expenditure ("capex")

Capex estimates have been provided by DRA and Cyest and reported in the Cash Flow Model according to the principal categories of project capital and stay in business ("SIB") capital. For mining, project capital comprises infrastructure capital provided by DRA and capital development provided by Cyest. Capital development is for waste development necessary to replace productive capacity up to the first three crosscuts on each new half level. SIB capital includes capital required for business continuity and not included in the above classification. All processing, TSF and overhead capital estimates have been provided by DRA. A summary of the capital costs included in the Cash Flow Model including contingencies is shown in Table 1.6.

Table 1.6 Capital expenditure by cost category (ZAR M)

Cost category	Value in ZAR M				
	LoM	**2015**	**2016**	**2017**	**2018**
Mining capex					
SIB capex	10 823	129	542	553	566
Project capex	4 367	41	503	589	754
Mining total capex	**15 190**	**170**	**1 045**	**1 142**	**1 320**
Processing capex					
SIB capex	124	17	47	32	28
Project capex	22	–	22	–	–
Processing total capex	**147**	**17**	**69**	**32**	**28**
Overhead SIB capex					
SIB capex	1 227	16	80	54	47
Project capex	–	–	–	–	–
Overhead SIB capex	**1 227**	**16**	**80**	**54**	**47**
Total SIB capex	12 174	161	669	639	641
Total Project capex	4 389	41	525	589	754
Grand total capex	**16 564**	**203**	**1 194**	**1 228**	**1 396**

Source: Cash Flow Model, 2015

Mining SIB capital represents 7.8% of shaft head cost. Mining project capital is scheduled each year until 2028 with over 55% expended in the first five years. The level of contingency contained in the Project capex is 15%. Mining SIB capital is scheduled evenly during production with a maximum not exceeding 10% of working costs in any one year. SIB capital is not planned for the two years prior to the end of mine life. Processing capital costs, project capital and SIB, are only planned to end 2018 and according to the schedule above, and subsequently provided for as part of operating costs.

Overhead SIB capex provides for ongoing costs associated with maintenance of the centralised facilities such as potable water supply, railways and railway control systems, security and security systems, road repairs, and the supply of water and compressed air. Overhead SIB capital costs have been planned, similarly to mining SIB, until the last two years of production and represent 3.5% of overhead operating cost overall, and not exceeding 6% in any one year.

Mining, processing and overhead capital costs are discussed in detail in section 8.7, section 9.8 and the section above respectively.

Mineral royalties and taxes

State royalties have been determined according to the requirements of the Mineral and Petroleum Resources Royalty Act, 2010 (the "Royalty Act"). The Royalty Act includes different rates for unrefined and refined metals according to the following formula:

- Royalty rate (Unrefined) = 0.5 + [EBIT/(Gross sales x 9)] x 100 with a maximum of 7%; and,
- Royalty rate (Refined) = 0.5 + [EBIT/(Gross sales x 12.5)] x 100 with a maximum of 5%.

The agreement between Sibanye and RPM includes a PoC treatment period whereby concentrate is sold to RPM followed by toll treatment of the 4E metals such that the refined 4E metals are available for sale by Sibanye. The mineral royalty payment has been modelled in the Cash Flow Model by using the unrefined royalty rate calculation during the PoC treatment period (to end-2018) and the refined royalty rate calculation for the toll treatment period (the remainder of the LoM). The toll treatment of concentrate is limited to the 4E metals, but as these comprise over 95% of the payable revenue the refined royalty rate calculation has been applied to all metals for simplicity.

The average mineral royalty percentage reflected in the Cash Flow Model is 2.1% of revenue.

In addition to the State mineral royalty, a royalty is payable to the Royal Bafokeng Nation ("RBN") for the rights to mine and recovery of minerals from certain mining areas.

The corporate tax rate in South Africa is 28% and all capital expenditure is deducted for tax purposes in the year that it is incurred. Unredeemed capital balances are allowed to be carried forward. There is zero starting unredeemed capital balance in the Cash Flow Model.

The revenues and all costs reflected in the Cash Flow Model are stated to be excluding value added tax ("VAT").

Working capital

Debtors' for the various commodities were determined using the payable days discussed in section 18.9.1 (Sub-section: Purchase and toll treatment of concentrate) and principally comprise 105 days for PoC treatment and 110 days for toll treatment of concentrate. Payment terms for all creditors' are assumed as 30 days. A working capital starting balance of ZAR2,223 million was provided by Rustenburg Operations. Changes in the projected working capital requirements per period have been modelled using the Nominal Cash Flow Model. The results reported for the Real Cash Flow Model reflect the de-escalated changes in working capital derived from the Nominal Cash Flow Model.

Discount rate

The valuation of the entity was undertaken on a 100% standalone basis using a real terms discount rate of 8.0%. The discount rate has been determined using a WACC and CAPM approach from data for South African platinum producers over a seven-year period. The free cash flow, post of tax and mineral royalties, but before any interest and financing costs, was discounted to determine a NPV for the entity.

Other considerations

Mining companies are required to make a financial provision for environmental closure and rehabilitation. A closure cost of ZAR801 million (mid-2015 money terms) from the updated closure liability assessment prepared by SRK Consulting (South Africa) (Pty) Limited ("SRK") in 2015 has been used in the Cash Flow Model. The outstanding balance is funded from the forecast cash flow, assuming a starting trust fund balance of ZAR284 million provided by RPM. More details on environmental closure and rehabilitation are provided in section 13.5.

A corporate social responsibility charge equivalent to 1% of the after tax operating cash flow has been included as an additional cost in the Cash Flow Model.

Net present value ("NPV") and sensitivity analysis

NPV, internal rate of return ("IRR") and payback time are typically used as indicators of project performance and for valuation using the Cash Flow Approach. As the Rustenburg Operations form an operating mine and there is no initial capital investment required, NPV is considered the most appropriate indicator of economic performance for this Mineral Asset. The discounted free cash flow in the Cash Flow Model, and as summarised, reflects a NPV of ZAR13 310 million for 100% of the mineral asset, using a discount rate of 8.0% (Real) for the production of some 168.6 Mt at a grade of 3.9 g/t 4E for some 21.1 Moz of 4E metals over a LoM period of 26 years.

The Cash Flow Model is most sensitive to metal prices including the US$:ZAR exchange rate and secondly to operating costs. The Cash Flow Model is least sensitive to capital cost changes, as capital costs are less than 10% of total costs and the mineral asset is an ongoing operation. The results of the sensitivity analysis at the base discount rate of 8.0% (real) are shown in Table 1.7 below.

Table 1.7 High level sensitivity analysis

Sensitivity range	Value in ZAR (M) Metal prices	Operating expenditure	Capital expenditure
(20%)	(2 780)	25 110	14 470
(15%)	1 220	22 150	14 170
(10%)	4 680	19 190	13 900
(5%)	8 980	16 220	13 600
Base case	**13 310**	**13 310**	**13 310**
5%	17 590	10 350	13 010
10%	21 910	7 380	12 710
15%	26 230	4 400	12 410
20%	30 550	1 270	12 100

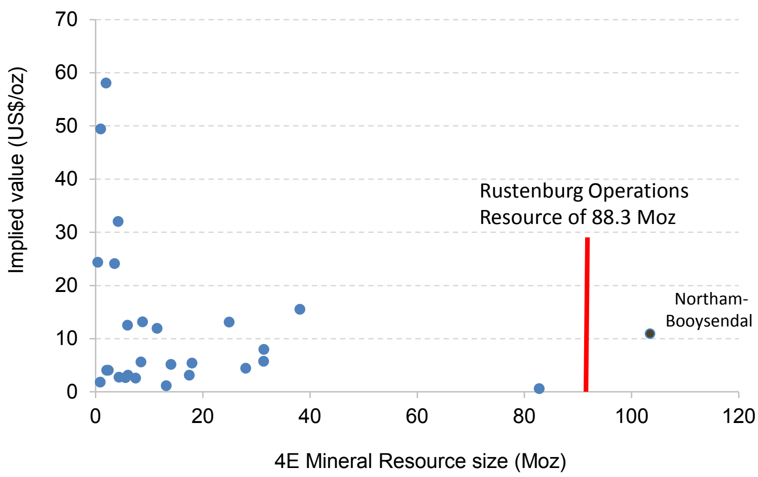
Source: Cash Flow Model, 2015

1.7.5 Market Approach Valuation

The second valuation method for Rustenburg Operations production and development properties is based on the Market Approach using comparable transactions. The Market Approach relies on the principle of "willing buyer, willing seller" and assumes that the amount received from the sale of the asset is determined on an arm's length basis. The methodology follows comparison of the asset under consideration to relatively recent asset transactions with similar characteristics. This approach is generally based upon a monetary value per unit of Mineral Resource, or where available, Mineral Reserve.

The relative infrequency of recent platinum transactions, particularly of operating assets, necessitates the use of data extending back to August 2007. Snowden has reviewed several historical transactions which can broadly be divided into two groups, namely transactions relating to pre-production assets (27 transactions were considered) that primarily comprise Mineral Resources only, and operational transactions that include both Mineral Resources and Mineral Reserves (eight transactions were considered). The implied value per Mineral Resource unit for the pre-production transactions is illustrated in Figure 1.1. The average implied value for Mineral Resources associated with pre-production assets is US$12.03/oz.

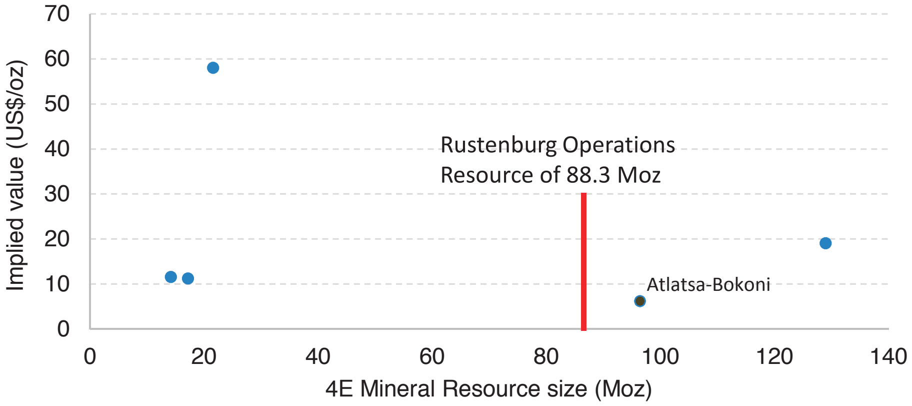
Figure 1.1 Implied unit values for pre-production PGE mineral assets/ transactions



Source: Snowden, 2015d

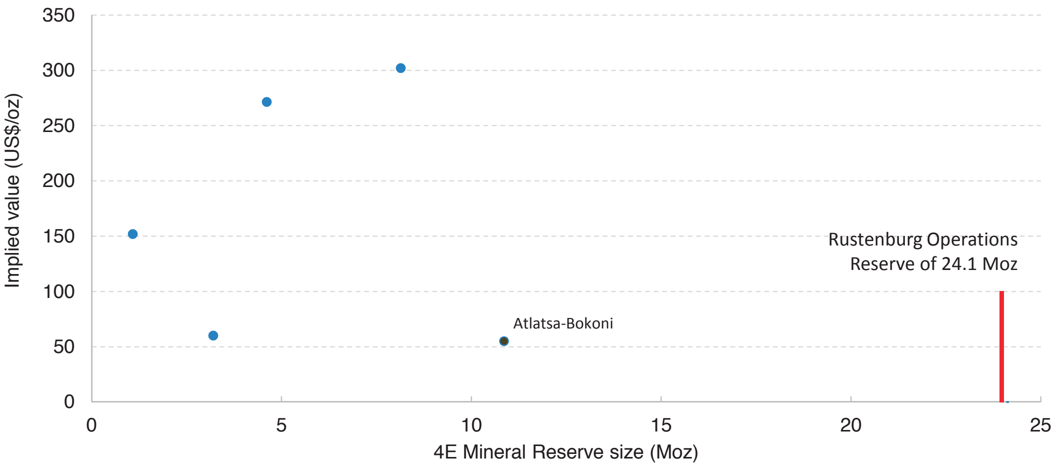
In total, eight historic transactions relating to operating assets were evaluated. However, of these, three were not considered comparable as the transactions included related parties and share "buy-backs" and thus are not considered "arm's length" transactions. On the basis of the transaction value for the remaining five transactions, the implied value for the Mineral Resources and Mineral Reserves are illustrated in Figure 1.2 and Figure 1.3 respectively.

Figure 1.2 **Implied Mineral Resource unit values for operational PGE mines/ transactions**



Source: Snowden, 2015d

Figure 1.3 **Implied Mineral Reserve unit values for operational PGE mines/ transactions**



Source: Snowden, 2015d

Due to the limited number of comparable operating asset transactions, as well as the fact that most transactions were completed in significantly different PGE market conditions (2007 to 2010) to those experienced today, a further comparison to current market trading multiples has been undertaken. This process has determined the current enterprise value ("EV") for the larger JSE listed PGE companies, defined as a company's market capitalisation and debt, minority interests and preferred shares; less total cash and cash equivalents, as at 1 October 2015. Mineral Resources and Mineral Reserves were used to determine an implied EV US$ per ounce of PGE. The EV determination was based on information obtained from Bloomberg (2015) and confirmed by Snowden; and is shown in Table 1.8 below.

Table 1.8 **Listed PGE mining companies' EV and implied Resource/ Reserve values**

Listed mining company	Enterprise value (US$ M)	Attributable 4E Moz		EV per resource ounce (US$/oz)	EV per reserve ounce (US$/oz)
		Resources	Reserves		
Northam	1 296.2	194.4	19.2	6.67	67.69
RB Plats	537.2	32.0	7.1	16.76	75.22
Lonmin	537.5	179.1	42.4	3.00	12.68
Implats	2 254.8	368.0	46.2	6.13	48.81
AAPL	5 587.0	919.3	206.0	6.08	27.12

Source: Bloomberg, 2015

Note: EV – Enterprise Value, as at 1 October 2015; Northam – Northam Platinum Limited; RB Plats – Royal Bafokeng Platinum Limited; Implats – Impala Platinum Holdings Limited; AAPL – Anglo American Platinum Limited; RS – Rustenburg Section/ Rustenburg Operations

1.7.6 **Implied value for the Rustenburg Operations**

In spite of a relatively wide range of unit values presented above, a narrower range has been selected by identifying historical transactions with similar attributes.

Snowden notes that when valuing mineral assets based on implied Mineral Resource values (including both pre-production and operational assets), which contain a large Mineral Resource (Figure 1.1 to Figure 1.2), typically above 25 Moz, the implied US$/oz values range between US$0.60/oz and US$19.10/oz, with an average value of US$9.20/oz. Snowden is of the opinion that the Rustenburg Operations is most comparable to the Atlatsa – Bokoni transaction, with an implied value of US$6.21/oz, due to a comparable resource size and similar PGE prices at the time of the transactions. Furthermore, this value is also aligned to the current EV per mineral resource trading multiples current observed on the JSE listed companies.

The range of implied Mineral Reserve values is between US$55.09/oz and US$302.09/oz with an average value of US$168.13/oz. Importantly, the range of transactions considering Mineral Reserves is limited and Snowden notes that the Rustenburg Operations contain almost double the Mineral Reserves of the next largest historical transaction on a Mineral Reserve basis. Similar to the reason(s) above, Snowden is of the opinion that the Rustenburg Operations is most comparable to the Atlatsa – Bokoni transaction, which contains the largest Mineral Reserve base with an implied value of US$55.09/oz, which is broadly in line with the currently observed EV per Mineral Reserve ounce trading multiples.

Sibanye Gold – RPM transaction

On 9 September 2015, Sibanye reported the intended acquisition of Rustenburg Operations from RPM, through one of its subsidiaries, SRPM, for an upfront consideration of ZAR1.5 B in cash or shares and a deferred consideration equal to 35% of the distributable free cash flows generated by the Rustenburg Operations over a six-year period, subject to a minimum nominal payment of ZAR3.0 B (referred to as “the Transaction”). Sibanye has reported that should there still be an outstanding balance at the end of the six-year period, Sibanye has the option to elect to extend the period by a further two years. Any remaining balance at the end of this period will be settled by Sibanye either in cash or shares. The Transaction agreements comprise a sale and purchase agreement, sale and toll treatment of concentrate agreement, use and access agreement and parent company guarantee. The implementation of the Transaction is both subject to and conditional on the fulfilment of conditions precedent customary for a transaction of this nature.

The total Mineral Resource for this Transaction is 88.3 Moz 4E, excluding Royalty ground. The total Mineral Reserve (including all surface and underground Mineral Reserves, with tail cut applied as at 1 October 2015) is 24.12 Moz 4E. On the basis of the implied valuation metrics outlined above, Table 1.9 shows the implied and preferred value ranges for the Rustenburg Operations.

Table 1.9 Implied and preferred value ranges for Rustenburg Operations

Component	**Unit**	**Total Resource/ Reserve**	**Implied value**			
			Low	**Average**	**High**	**Preferred**
Mineral Resources						
Mineral Resource estimate	Moz	88.26				
Implied unit value	US$/oz		0.60	9.20	19.20	6.21
Implied value	US$ M		53	812	1 695	548
Implied value*	ZAR M		737	11 295	23 572	7 624
Mineral Reserves						
Mineral Reserve estimate	Moz	24.12				
Implied unit value	US$/oz		55.09	168.13	302.09	55.09
Implied value	US$ M		1 328	4 052	7 280	1 328
Implied value*	ZAR M		18 467	56 362	101 270	18 467

Source: Snowden, 2015d

*Note: * Exchange rate used of US$1:ZAR13.91*

Due to the relatively large Mineral Reserve base associated with the Rustenburg Operations, in comparison to historic transactions, Snowden does not consider the Mineral Reserve implied values to accurately reflect a true value for the Rustenburg Operations. As such Snowden's preferred value range for the Rustenburg Operations is on the basis of an implied Mineral Resource value.

1.7.7 **Market Approach Valuation summary**

For the reasons contemplated above, comparable PGE properties range between US$6.21/oz Atlatsa – Bokoni transaction (an operating mine) and US$10.95/oz (Northam – Booysendal transaction, pre-production mineral asset), for mineral assets that are comparably similar. An upper and lower in-situ implied value has been calculated using US$10.95/oz and US$6.21/oz respectively, as shown in Table 1.10.

Positive considerations for Rustenburg Operations include the following: it is the world's fifth largest platinum producer; has a long LoM with significant production scalability; developed infrastructure, which supports LoM and standalone operations; extension and optionality in the Mineral Asset base; value enhancing chrome recovery and tailings retreatment operations in place; sustainable PoC terms that provide secure off-take for Sibanye; and an experienced management team and labour workforce.

Negative considerations include the following: old shafts and concentrators relative to other platinum operations; it is a mid to high unit cost per ounce platinum producer.

Snowden is of the opinion that Rustenburg Operations is more comparable to the Atlatsa – Bokoni transaction, the Bokoni Mine has a large resource size, a significant Mineral Reserve (although approximately half the size of Rustenburg Operations), developed infrastructure, and similar PGE metal prices at time of transaction.

In real terms, current platinum prices of some US$1,000/oz and exchange rate of approximately US$1:ZAR13.91 are comparable to the prices prevalent at the time of the Atlatsa – Bokoni transaction of July 2009 (US$1,200/oz and exchange rate of approximately US$1 :ZAR8.50) used to support the Market Approach Valuation.

Balancing the positive and negative considerations, whilst comparing to the Northam – Booysendal transaction and Atlatsa – Bokoni transaction, Snowden consider a fair value to be closer to the Atlatsa – Bokoni transaction implied values of US$6.21/oz. A preferred value of US$6.21/oz has been applied to the Mineral Asset value, as shown in Table 18.18.

Table 1.10 Derivation of in-situ Resource unit value in US$/4E oz

Component	Unit	Lower limit	Preferred value	Upper limit
Implied value per ounce	US$/oz	6.21	6.21	10.95
Implied value for Rustenburg Operations	US$ M	548	548	966
Implied value for Rustenburg Operations	ZAR M	7 620	7 620	13 440
Actual Rustenburg Operations transaction, Sept 2015*	US$/oz		3.66	

Source: Snowden, 2015a

*Note: * Transaction added for comparative purposes; rounding applied to ZAR values*

(Exchange rate used of US$1:ZAR13.91)

A Market Approach value of US$548 million (or ZAR7.6 B) in comparison to the DCF base value of US$957 million (or ZAR13 310 million) is noted, using a 1 October 2015 exchange rate of ZAR13.91:US$1.

1.7.8 **Range of values**

The base case discount rate for the Cash Flow Approach has been determined using a WACC and CAPM methodology. As discussed above, the average performance of South African traded platinum producing companies has been used to determine a beta of 1.37 that supports the nominal and real discount rates of 14.1% and 8.0% respectively and the base case NPV. Using the same set of data for these companies, a minimum and maximum beta value of 0.80 and 1.90 has been determined. Application of these upper and lower beta values results in a lower and upper real discount rate of 5.3% and 10.7% respectively. Applying these discounts to the Cash Flow Model results in a lower and upper NPV of ZAR10 650 million and ZAR17 240 million respectively. The Market Approach results in a lower and upper Mineral Asset value of ZAR7 620 milllion and ZAR13 440 million respectively. The Cash Flow Approach and Market Approach lower and upper values are shown in Table 1.11.

Table 1.11 Range of values and Concluding Opinion of Value

Valuation approach	Value in ZAR M		
	Lower	Preferred value	Upper
Cash Flow Approach	10 650	13 310	17 240
Market Approach	7 620	7 620	13 440
Valuator's Concluding Opinion of Value	**10 650**	**13 310**	**17 240**

Source: Cash Flow Model, 2015; Snowden, 2015a

*Note: * Rounding applied to ZAR values*

1.7.9 Valuation summary and conclusions

The preferred valuation method is a Cash Flow Approach, considering the detailed planning that has been undertaken to generate projections that reflect the technical and economic parameters and assumptions existing at the date of this report; and is supported by extensive operating experience. The Cash Flow Model is most sensitive to metal prices including the US$:ZAR exchange rate and secondly to operating costs.

The Competent Valuator's Concluding Opinion of Value is the preferred value, according to the Cash Flow Approach, of ZAR13 310 million, using a 8% discount rate (real) for the single, fiscal Project entity. The range of values are shown in the table above (Table 1.11) for the Mineral Asset including a lower and upper value of of ZAR10 650 million and ZAR17 240 million respectively. The preferred value is comparable to the Market Approach upper value of ZAR13 440 million.

Key risks associated with the Mineral Asset are discussed in Section 19 of the CPR.

It must be noted that the forecasts of prices and exchange rates, parameters, plans and assumptions may change significantly over time. Should these change materially, the Valuation determined may be significantly different. The Competent Valuator is under no obligation to advise of any change in circumstances after the effective date of this CPR or to review, revise or update the CPR or opinion.

1.8 Conclusions

1.8.1 Geology and Resources

The data collection processes, data validation and QA/QC as well as interpretation and estimation methods used to arrive at the Mineral Resource statements for Rustenburg Operations Lease Area are undertaken by Rustenburg Operations and select RPM staff.

In January 2015, Snowden completed a detailed Mineral Resource and Mineral Reserve estimate audit of Rustenburg Operations (Snowden, 2015c). It was Snowden's opinion that the evaluation and reporting of the Resources and Reserves was completed to appropriate standards (Snowden, 2015c). No material errors were identified with the Resource and Reserve estimate; and recommended that AAPL can confidently rely on the Resource end Reserve estimates for Rustenburg Operations LoM scheduled and public reporting.

The Mineral Resources of Rustenburg Operations are classified, verified, and reported in accordance with the JSE Listings Requirements, industry and professional guidelines. The classifications are based on the SAMREC Code.

Reporting is undertaken by professionals with appropriate experience in the estimation, economic evaluation, exploitation, and reporting of mineral resources relevant to the various styles of mineralisation under consideration. RPM's experience with the various orebodies that it is evaluating and mining spans decades, with the result that RPM personnel have a thorough understanding of the factors important to the assessment of their economic potential.

1.8.2 Mining

Rustenburg Operations has a long LoM with significant production scalability; well developed infrastructure, which supports integrated and standalone operations; extension and optionality in the Mineral Asset base; an experienced management team and labour workforce. A skilled and semi-skilled workforce is readily available in adjacent communities and the greater Rustenburg area.

Infrastructure is considered to be old, but well maintained, with sufficient water and power for planned mining expansions. Current ventilation capacities are considered adequate in the short and medium term. Surface infrastructure from mine to concentrators is in good condition. Current and planned maintenance costs and schedules are considered to be appropriate for the planned LoM.

Modifying factors for the LoM and Resource to Reserve conversion are considered to be reasonable. The current and planned expansions/associated production schedules are considered to be fair.

1.8.3 Process and tailings

The equipment in all plants is in good operating condition and well maintained by experienced staff in accordance with RPM's maintenance procedures. Standard approved AAPL maintenance procedures and standards for all major unit operations and equipment are in place, and comply with all approved regulations. Mass balances, utilising appropriate operation data have been undertaken by RPM staff and are considered adequate.

The reduction in unit operating costs during 2015 indicates stable operating conditions and fair management of the process plants. Forecasted operating costs for the Waterval UG2 concentrator is based on treating RoM to designed capacity. The recent PFS work undertaken has reduced the planned labour complement. No step-up or initial capital will be spent over the LoM on process infrastructure, with SIB capital covering major or partial plant process replacements/modifications.

In DRA's opinion the Rustenburg Operations approach to PGE processing carries low risk in that well established proven technology is being used in all flowsheets and Rustenburg Operations have considerable experience in this method of operation. The primary concentrators have been in operation for more than 20 years.

Tailings

DRA consider that all TSF facilities are in good operating condition and well maintained by experienced staff. The TSF facility conditions are continually monitored as part of the mining contractor's operational responsibilities and the approved professional engineers for the facilities are SRK who are retained for the ongoing monitoring and DMR annual reporting. The costs to cover ongoing maintenance are sufficiently allowed for in the operating and SIB cost estimates. Records of maintenance performed are readily available.

A three staged dust management plan has partially been implemented at Paardekraal TSF. Water management on the TSFs are well controlled with the supernatant pool located centrally around the decant towers. The TSFs also conforms to the statutory freeboard requirements. Six monthly audits are performed by independent consultants to ensure compliance with respect to operating procedures and all legal requirements.

It is assumed that the Klipfontein and Waterval East and Waterval West TSFs which are being reclaimed or unused respectively would have been rehabilitated during the life of the operation and no additional costs will be incurred at the end of LoM. The only costs applied by SRK are for the top surface tailings scarification and revegetation costs on the final TSF landform. All water management and ongoing monitoring and maintenance are included elsewhere in the closure estimates.

1.8.4 Environmental and social considerations

The existing site environmental risks are associated with proposed rehabilitation processes and financial provision, applicable to the Closure Plan. Other key risks are safety related, and would be indicated by the impact on production, and hence revenue, associated with safety incidents, Regulation 55 Performance Assessments (compliance audits) conducted in terms of the MPRDA, and by the annual Integrated Water use Licence ("IWUL") audits required in terms of the National Water Act (Act 36 of 1998) or "NWA", none of which have been reviewed (or made available) for this report.

Clarification is required as to whether Rustenburg Operations requires licences in terms of the National Environmental Management: Air Quality Act, No. 39 of 2004 ("NEM:AQA") and the National Environmental Management: Waste Act, No. 59 of 2008 ("NEM:WA").

Based on site observations, discussions with relevant personnel, and a review of all relevant documentation, environmental considerations are managed well for the scale and age of the assets and only a few material issues were identified, with the site having developed or commenced with the implementation of plans for the majority of the issues identified.

There are five informal settlements on the Rustenburg Operations Lease Area which are in close proximity to key infrastructure e.g. shafts, fridge plants and the WLTR plant. However, access to the infrastructure is security controlled and the Rustenburg Operations have historically not been impacted by the informal settlements nor its occupants.

1.8.5 Engineering

All engineering and infrastructural aspects are in place for the current operations. On-site engineering facilities satisfactorily sustain the various activities. Additional supporting infrastructure includes emergency services, clinics and communications and recreational areas.

The operating mining areas, both on surface and underground, and including materials handling, are deemed to be in a good operating condition. The maintenance system in place is appropriate for the equipment used and the conditions encountered.

The Waterval UG2 concentrator, and the associated CRP, the Waterval Retrofit concentrator and the WLTR plant are deemed to be in a good condition with no areas of concern emphasised. The experienced staff and the established maintenance procedures ensure that the plants have a high availability for operation. Some corrosion is apparent, but is dealt with under ongoing repairs.

The replacement and refurbishment of engineering equipment as per equipment lifespan has been highlighted and costing for capital equipment and SIB equipment has been quantified.

1.8.6 Valuation

The Cash Flow Model runs from Q4 2015 to FY2041. No Inferred Mineral Resources and only Mineral Reserves are considered in the Cash Flow Model.

The Cash Flow Model is based on physical projections for mining production and processing production provided by DRA that are comparable to that historically achieved at Rustenburg Operations.

Revenue is based on a specific agreement for the sale and toll treatment of concentrate with metal prices and exchange rate sourced from a consensus forecast.

Opex has been estimated from first principles and is broken down into established cost categories, and by Investment Centre, with accuracy to at least a PFS level. Projected operating costs include an allowance for above SA CPI inflation for labour and to utilities costs for three years.

The capex requirements and phasing of capex is considered reasonable per Investment Centre and to support the Rustenburg Operations production profile.

The Competent Valuator considers the calculation of mineral royalties and taxes, working capital, discount rate and inclusion of closure liability assessments to be reasonable. The base case discount rate has been determined using a WACC and CAPM approach.

The preferred valuation method is a Cash Flow Approach, considering the detailed planning that has been undertaken to generate projections that reflect the technical and economic parameters and assumptions existing at the date of this report; and is supported by extensive operating experience. The Cash Flow Model is most sensitive to metal prices including the US$:ZAR exchange rate and secondly to operating costs.

The application of upper and lower beta values results in a lower and upper real discount rate of 5.3% and 10.7% respectively. Applying these discounts to the Cash Flow Model results in a lower and upper NPV of ZAR10 650 million and ZAR17 240 million respectively. The Competent Valuator's Concluding Opinion of Value, according to the Cash Flow Approach, shows a preferred value of ZAR13 310 million for the Mineral Asset, using a discount rate of 8.0% (real). The preferred value is comparable to the Market Approach upper value of ZAR13 440 million.

MATERIAL LOANS

The proposed transaction will not result in a change in the material loans of Sibanye. Set out below for information purposes are the material loans as at the Last Practicable Date.

Significant accounting judgments and estimates

Borrowings are recognised initially at fair value. Expected future cash flows used to determine the fair value of borrowings are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as the expected commodity price, foreign currency exchange rates, estimates of production costs, future capital expenditure and discount rates.

Accounting policy

Borrowings are recognised initially at fair value, net of transaction costs incurred, where applicable and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Figures in million – SA rand	30 June 2015	31 December 2014
R4.5 billion Facilities (a)	**2 431.2**	1 743.1
Other borrowings	**44.3**	77.5
Burnstone Debt (d)	**1 240.8**	–
Total borrowings	**3 716.3**	1 820.6
Reconciliation of the non-current and current portion of the borrowings		
Borrowings	**3 716.3**	1 820.6
Current portion of borrowings	**(542.3)**	(554.0)
Non-current borrowings	**3 174.0**	1 266.6

The current portion of borrowings will be repaid out of operational cash flows or it will be refinanced by utilising available Group facilities

(a) R4.5 billion Facilities

On 13 December 2013, Sibanye cancelled and entered into the Bridge Loan Facilities with Absa Bank, Ashburton SA Credit Co-Investment Fund 1 (RF) Limited, Bank of China, FirstRand Bank Limited (acting through its Rand Merchant Bank Division), iNguza Investments (RF) Limited, Investec Bank, Nedbank CIB and The Standard Bank of South Africa, by drawing R2 billion under the R4.5 billion Facilities (the R4.5 billion Facilities), the balance may be applied to ongoing capital expenditure, working capital and general corporate expenditure requirements, where required.

Terms of the R4.5 billion Facilities

Facility:	R2.5 billion revolving credit facility (RCF)
	R2.0 billion term loan facility (Term Loan)
Interest rate:	JIBAR (Quoted at 6.34% at 13 November 2015)
Interest rate margin:	RCF: 2.85% per annum
	Term Loan: 2.75% per annum
Term of loan:	Three years
Repayment period:	The Term Loan will repaid in equal six-monthly instalments of R250 million, with the R750 million balance and any amounts outstanding under the RCF due for settlement on final maturity, being 13 December 2016.
Security and guarantors:	The Facilities are unsecured and guaranteed by Rand Uranium Proprietary Limited and Ezulwini Mining Company Proprietary Limited.

Figures in million – SA rand	30 June 2015	31 December 2014
Term loan	**1 246.6**	1 743.1
RCF	**1 184.6**	–
Balance at end of the period	**2 431.2**	1 743.1

As at the Last Practicable Date Sibanye had R1.5 billion available under the RCF.

(b) US$300 million RCF

On 24 August 2015 Sibanye entered in to a US$300 million syndicated RCF agreement with an option to increase the facility to US$350 million within six months from signing date. The purpose of the facility was to finance ongoing capital expenditure, working capital and general corporate expenditure requirement which may include the financing of future acquisitions or business combinations.

Terms of the US$300 million RCF

Facility:	US$300 million
Interest rate:	LIBOR (Quoted at 0.36% at 13 November 2015)
Interest rate margin:	2.00% per annum
Utilisation fees:	Where the total outstanding loans under the RCF fall within the range of the percentage of the total loan as set out below, Sibanye shall pay an utilisation fee equal to the percentage per annum set out opposite such percentage range.

% of the total loans	Utilisation fee
Less than or equal to $33^{1/3}$%	0.15%
Greater than $33^{1/3}$% and less than or equal to $66^{2/3}$%	0.30%
Greater than $66^{2/3}$%	0.50%

Term of loan:	Three years
Security and guarantors:	The facility is unsecured and guaranteed by Rand Uranium Proprietary Limited

As at the Last Practicable Date Sibanye had US$300 million available under the RCF.

(c) US$300 million Bridge Facility

On 5 October 2015 Sibanye entered into an acquisition facility agreement with HSBC Bank plc (“HSBC”) as sole arranger for the purpose of providing funding, if required for the Aquarius Platinum Limited acquisition as announced on 6 October 2015 (the “Aquarius Transaction”) (the “Bridge Facility”).

Terms of the US$300 million Bridge Facility

Facility:	US$300 million
Interest rate:	LIBOR (Quoted at 0.36% at 13 November 2015)
Interest rate margin:	Month 0 – 6: 3.00% per annum Month 7 – 9: 3.75% per annum Month 10 – 12: 4.25% per annum Month 13 – 18: 5.00% per annum
Term of loan:	12 months from completing of the Aquarius Transaction with Sibanye’s option to extend for another six months (18 months from completion)
Security and guarantors:	Loans are unsecured and guaranteed by Rand Uranium Proprietary Limited

The Bridge Facility can only be drawn on completion of the Aquarius Transaction which is expected to in the first quarter of 2016.

(d) **Burnstone Debt**

At the acquisition date, being 1 July 2014, Sibanye Gold Eastern Operations Proprietary Limited had bank debt of US$178.1 million (R1 883.9 million) (the "Burnstone Debt") with Credit Suisse AG, FBN Bank (UK) Limited and Standard Chartered Bank..

Terms of the Burnstone Debt

Facility:	A1: US$0.2 million A2: US$7.8 million A3: US$51.0 million A4: US$119.1 million
Interest rate:	A1 and A2: Interest free A3 and A4: Interest free until 1 July 2017, then at London Interbank Offered Rate (LIBOR)
Interest rate margin:	A3 and A4: 4% from 1 July 2017
Term of loan:	No fixed term
Repayment period:	A1: Repaid on 1 July 2014 A2: From 1 July 2017 the first 50% of Burnstone's free cash flow will be used to repay the Wits Gold Loan and the balance of 50% to repay A2 A3 and A4: On settlement of A2. 90% of Burnstone's free cash flow will be used to repay the Wits Gold Loan and the balance of 10% to repay the Burnstone Debt. On settlement of the Wits Gold Loan and interest, 30% of Burnstone's free cash flow will be used to repay the Burnstone Debt and the balance will be distributed to Wits Gold. The Bank Lenders will continue to participate in 10% of Burnstone's free cash flow after the Burnstone Debt has been repaid in full to a maximum amount of US$63.0 million under a revenue participation agreement.
Security:	The Burnstone Debt is fully secured against the assets of Burnstone and there is no recourse to the Sibanye Group. The security package includes a cession over the bank accounts, insurance policies' proceeds, special and general notarial bonds over movable assets and mortgage bonds over property.

The Burnstone Debt facilities of US$178.1 million (R1 883.9 million) were initially recognised at the acquisition fair value using level 2 (refer to note 37) assumptions, being R1 007.6 million, in terms of IFRS 3.

Rustenburg Operations

The Rustenburg Operations will have no material loans on acquisition.

MATERIAL CONTRACTS

The following are material contracts not entered into in the ordinary course of business that were entered into by Sibanye in the two years prior to the date of the Circular.

Gold One International Limited ("Gold One") Agreement

On 21 August 2013, Sibanye entered into an agreement with Gold One to acquire Gold One's 76% shareholding in, and claims against, Newshelf 1114 Proprietary Limited ("Newshelf 1114"). On 15 May 2014, all conditions precedent to the acquisition of Newshelf were fulfilled. Newshelf 1114 holds 100% of the shares of Rand Uranium Proprietary Limited, or Rand Uranium, and Ezulwini Mining Company Proprietary Limited ("Ezulwini") which, together, include the activities of the Cooke operations. On completion of the Newshelf 1114 BEE structure, Sibanye will have a 74% interest in Newshelf 1114. The current balance of 24% not owned by Sibanye forms part of the Newshelf 1114 BEE structure.

As consideration for the acquisition of Cooke, Sibanye issued 156 894 754 new Sibanye Shares at R28.61, representing 17% of Sibanye's issued share capital, on a fully diluted basis to Gold One.

R4.5 billion Facilities

On 13 December 2013, Sibanye cancelled and entered into the Bridge Loan Facilities with Absa Bank, Ashburton SA Credit Co-Investment Fund 1 (RF) Limited, Bank of China, Firstrand Bank Limited (acting through its Rand Merchant Bank Division), iNguza Investments (RF) Limited, Investec Bank, Nedbank CIB and The Standard Bank of South Africa, by drawing R2 billion under the R4.5 billion Facilities (the R4.5 billion Facilities), the balance may be applied to ongoing capital expenditure, working capital and general corporate expenditure requirements, where required (see Material Loans).

Witwatersrand Consolidated Gold Resources Limited ("Wits Gold") Acquisition

On 14 April 2014, Sibanye completed the acquisition of the entire issued share capital of Wits Gold for a cash consideration of R400.5 million, or R11.55 per Wits Gold share. The majority of Wits Gold's resources are adjacent to Sibanye's Beatrix operation.

On 5 July 2013 Wits Gold announced to its shareholders that it had submitted a final binding offer (the Offer) to Mr Peter van den Steen, the business rescue practitioner of Sibanye Gold Eastern Operations Proprietary Limited (SGEO (previously Southgold Exploration Proprietary Limited)) to acquire SGEO, the sole owner of Burnstone located in South Africa's Mpumalanga Province. The Offer was included in the business rescue plan that was approved by the creditors of SGEO on 11 July 2013.

All the outstanding conditions precedent were met on 1 July 2014, and Sibanye, through its subsidiary Wits Gold, also took 100% control of Burnstone from this date, also the date on which SGEO came out of business rescue. Sibanye acquired all of the issued shares of SGEO together with all shareholder and inter-group loans against SGEO for a purchase consideration of R100. Wits Gold was also required to fund R77.4 million for the settlement of all outstanding creditors of SGEO.

In addition Wits Gold has to fund up to R950 million by means of a loan (the Wits Gold Loan) over time, as working capital to support the production plan. The Wits Gold Loan will attract interest at the Johannesburg Interbank Agreed Rate (JIBAR) plus a margin of 4%. At the acquisition date, being 1 July 2014, Sibanye Gold Eastern Operations Proprietary Limited had bank debt of US$178.1 million (R1 883.9 million) (the Burnstone Debt) with Credit Suisse AG, FBN Bank (UK) Limited and Standard Chartered Bank. (see Material Borrowings)

The first 50% of Burnstone's free cash flow will be used to repay the Wits Gold Loan and the balance of 50% to repay U.S.$7.8 million of the Burnstone Debt. On settlement of this U.S.$7.8 million, 90% of Burnstone's free cash flow will be used to repay the Wits Gold Loan and the balance of 10% to repay the Burnstone Debt. On settlement of the Wits Gold Loan and interest, Burnstone Debt will be repaid from 30% of Burnstone's free cash flow and the balance will be paid to Wits Gold.

US$300 million RCF

On 24 August 2015 Sibanye entered in to a US$300 million syndicated RCF agreement with Bank of America Merrill Lynch International Limited, Bank of Montreal, Citi, Credit Suisse, Goldman Sachs Bank USA, HSBC Bank plc, J.P. Morgan Limited, Nedbank CIB and RBC Capital Markets with an option to increase the facility to US$350 million within six months from signing date. The purpose of the facility was to finance ongoing capital expenditure, working capital and general corporate expenditure requirement which may include the financing of future acquisitions or business combinations (see Material Loans).

Acquisition to acquire the Rustenburg Operations

On 8 September 2015, Sibanye has via a subsidiary company entered into the Transaction Agreements, with RPM, a wholly-owned subsidiary of AAP to acquire the Rustenburg Operations, as further set out in the Circular.

US$300 million Bridge Facility

On 5 October 2015 Sibanye entered into an acquisition facility agreement with HSBC as sole arranger for the purpose of providing funding, if required for the Aquarius Platinum Limited acquisition as announced on 6 October 2015 (the Bridge Facility) (see Material Loans).

Acquisition of entire issued share capital of Aquarius Platinum Limited ("Aquarius")

On 6 October 2015 Sibanye announced that it had entered into an implementation agreement for a cash offer of USD0.195 per share for the entire issued share capital of Aquarius (the "Offer"), valuing Aquarius at an equity value of USD c. 294 million.

The Offer will be implemented as an amalgamation in accordance with the provisions of the Companies Act 1981 of Bermuda and the Aquarius bye-laws (the "Aquarius Transaction"). The Aquarius Transaction is still subject to certain conditions precedent.

Rustenburg Operations

There are no material contracts of the Rustenburg Operations which will be acquired under the Transaction and which are restrictive funding arrangements and/or which were entered into otherwise than in the ordinary course of business of the Rustenburg Operations.

Sibanye Gold Limited

(Registration number 2002/031431/06)
Share code: SGL ISIN: ZAE000173951
("**Sibanye**" or the "**Company**")

NOTICE OF GENERAL MEETING

All terms defined in the Circular to which this Notice of General Meeting is attached shall bear the same meanings herein.

Notice is hereby given to Sibanye Shareholders that a General Meeting of Sibanye will be held at Sibanye Gold Academy, Rietkloof 349, Glenharvie, 1786, South Africa, on Monday, **18 January 2016 at 09h00** to consider and, if deemed fit, pass, with or without amendment, the Special Resolution and the Ordinary Resolutions set out hereunder in the manner required by the Act, and the JSE Listings Requirements and other stock exchanges on which Sibanye's ordinary shares are listed.

Kindly note that in terms of section 63(1) of the Act, meeting participants (including proxies) will be required to present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of that person to participate and vote at the General Meeting, either as a Sibanye Shareholder, or as a proxy for a Sibanye Shareholder, has been reasonably verified before being entitled to attend or participate in the General Meeting. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

RECORD DATES, PROXIES AND VOTING

In terms of section 59(1)(a) and (b) of the Act (and to the extent relevant the JSE Listings Requirements), the Board has set the record dates for the purposes of determining which Sibanye Shareholders are entitled to:

- receive notice of the General Meeting (being the date on which a Sibanye Shareholder must be registered in the Register in order to receive notice of the General Meeting), which date is Friday, **4 December 2015**; and
- participate in and vote at the General Meeting (being the date on which a Sibanye Shareholder must be registered in the Register in order to participate in and vote at the General Meeting), which date is **Friday, 8 January 2016**.

Sibanye Shareholders who have not Dematerialised their Shares or who have Dematerialised their Shares with "own-name" registration, and who are entitled to attend, participate in and vote at the General Meeting, are entitled to appoint a proxy to attend, speak and vote in their stead. A proxy need not be a Sibanye Shareholder and shall be entitled to vote on a show of hands or a poll. It is requested that proxy forms be forwarded so as to reach the Transfer Secretaries in South Africa or the United Kingdom by no later than 48 (forty-eight) hours before the commencement of the General Meeting, i.e. by 09:00 on Thursday, **14 January 2016**. If Sibanye Shareholders who have not Dematerialised their Shares or who have Dematerialised their Shares with "own-name" registration, and who are entitled to attend, participate in and vote at the General Meeting do not deliver forms of proxy to the Transfer Secretaries in South Africa or the United Kingdom by the time stipulated above, such Sibanye Shareholders will nevertheless be entitled to lodge the form of proxy in respect of the General Meeting immediately prior to the General Meeting, in accordance with the instructions therein, with the approval of the Chairman of the General Meeting.

Sibanye Shareholders who have Dematerialised their Shares, other than those Sibanye Shareholders who have Dematerialised their Shares with "own-name" registration, should contact their CSDP or broker in the manner and within the time stipulated in the agreement entered into between them and their CSDP or broker:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the General Meeting, to obtain the necessary letter of representation to do so.

On a show of hands, every Sibanye Shareholder present in person or represented by proxy and entitled to vote shall have only one vote irrespective of the number of Shares such Sibanye Shareholder holds. On a poll, every Sibanye Shareholder present in person or represented by proxy and entitled to vote, shall be entitled to cast one vote per Sibanye Share held.

ELECTRONIC PARTICIPATION

The Company intends to offer Sibanye Shareholders reasonable access to attend the General Meeting through electronic conference call facilities, in accordance with the provisions of the Act. Sibanye Shareholders wishing to participate electronically in the General Meeting are required to deliver (physically or by post) written notice to the Company at Libanon Business Park, 1 Hospital Street (Off Cedar Avenue), Libanon, Westonaria, 1780, South Africa, (marked for the attention of Cain Farrel, the Company Secretary) by no later than 09:00 on **Friday, 8 January 2016** that they wish to participate via electronic communication at the General Meeting . In order for the Electronic Notice to be valid it must state and be accompanied by: (a) if the Sibanye Shareholder is an individual, notification thereof and a certified copy of his/her identity document and/or passport (the certification on the copy must be in original form); (b) if the Sibanye Shareholder is not an individual, notification thereof and a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication (the certification on the copy must be in original form); and (c) a valid e-mail address and/or facsimile number ("the contact address/number"). Voting on Shares will not be possible via electronic communication and accordingly Sibanye Shareholders participating electronically and wishing to vote their Shares at the General Meeting will need to be represented at the General Meeting, either in person, by proxy or by letter of representation. The Company shall use its reasonable endeavours to notify on or before 09:00 on **Thursday, 14 January 2016**, each Sibanye Shareholder who has delivered a valid Electronic Notice, at its contact address/number, of the relevant details through which the Sibanye Shareholder can participate via electronic communication

SPECIAL RESOLUTION NUMBER 1

Approval for the allotment and issue of Sibanye Shares, including in particular but not limited to the Consideration Shares, as required by and in terms of section 41(3) of the Companies Act

"Resolved that, as required by and in terms of section 41(3) of the Companies Act and article 8 of Sibanye's Memorandum of Incorporation, but subject to the passing of Ordinary Resolution Numbers 1 and 2, should the voting power of Sibanye Shares, including in particular but not limited to the Consideration Shares, to be allotted and issued in terms of Ordinary Resolution Number 2 at any time be equal to or exceed 30% (thirty percent) of the voting power of all the Sibanye Shares held by the Sibanye Shareholders immediately before the implementation of the Transaction, the Board be and is hereby authorised to allot and issue such Sibanye Shares, including in particular but not limited to Consideration Shares, which are equal to or in excess of such threshold and such allotment and issue be and is hereby approved."

ORDINARY RESOLUTION NUMBER 1

Approval of the Transaction as a Category 1 transaction, as required by and in terms of the JSE Listings Requirements

"Resolved that, as required by and in terms of the JSE Listings Requirements, Sibanye be and is hereby authorised to enter into the SPA, ie the Sale and Purchase Agreement between Sibanye, Sibanye Rustenburg Platinum Mines and RPM, signed on 8 September 2015, and to implement the Transaction and accordingly that the Transaction be and is hereby approved."

ORDINARY RESOLUTION NUMBER 2

Specific approval and authority to be granted to the Board to allot and issue from the current and/or any future authorised but unissued Sibanye Shares (i) the Consideration Shares to RPM; and/or (ii) Sibanye Shares to various investors through a VCP for the purpose of generating cash for the payment of the Purchase Price or any portion thereof

"Resolved that, as required by article 8 of Sibanye's Memorandum of Incorporation, but subject to the passing of Ordinary Resolution Number 1, the Board be and is hereby authorised to allot and issue from the current and/or any future authorised but unissued Sibanye Shares (i) the Consideration Shares to RPM; and/or (ii) Sibanye Shares through a VCP to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof."

EXPLANATORY NOTES

SPECIAL RESOLUTION NUMBER 1

Approval for the allotment and issue of Sibanye Shares, including in particular but not limited to the Consideration Shares, as required by and in terms of section 41(3) of the Companies Act.

The reason for Special Resolution Number 1 is that, should the voting power of the Sibanye Shares, including in particular but not limited to Consideration Shares, to be allotted and issued in terms of Ordinary Resolution Number 2 at any time be equal to or exceed 30% (thirty percent) of the voting power of all the Sibanye Shares held by the Sibanye Shareholders immediately before the implementation of the Transaction, as contemplated in section 41(3) of the Companies Act, such allotment and issue is required to be approved by way of a special resolution of the Sibanye Shareholders. The effect of passing Special Resolution Number 1 is that the Board will be authorised to allot and issue such Sibanye Shares, including in particular but not limited to the Consideration Shares, for purposes of giving effect to Ordinary Resolution Number 2, notwithstanding that such allotment and issue may be equal to or exceed the 30% (thirty percent) threshold contemplated in section 41(3) of the Companies Act. For Special Resolution Number 1 to be approved by the Sibanye Shareholders, it must be supported by at least 75% (seventy five percent) of the voting rights exercised on the Special Resolution.

ORDINARY RESOLUTION NUMBER 1

Approval of the Transaction as a Category 1 transaction, as required by and in terms of the JSE Listings Requirements

The reason for Ordinary Resolution Number 1 is that the Transaction is classified as a category 1 transaction for the purposes of section 9 of the JSE Listings Requirements and Sibanye is therefore required to obtain the approval of the Sibanye Shareholders for the Transaction, in accordance with the provisions of the JSE Listings Requirements and the SPA. The effect of passing Ordinary Resolution Number 1 will be that Sibanye will have obtained the approval of the Sibanye Shareholders for the Transaction as required in terms of the JSE Listings Requirements and the SPA. For Ordinary Resolution Number 1 to be approved by the Sibanye Shareholders, it must be supported by more than 50% (fifty percent) of the voting rights exercised on the Ordinary Resolution.

ORDINARY RESOLUTION NUMBER 2

Specific approval and authority to be granted to the Board to allot and issue from the current and/or any future authorised but unissued Sibanye Shares (i) the Consideration Shares to RPM; and/or (ii) Sibanye Shares through a VCP to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof

The reason for Ordinary Resolution Number 2 is two-fold. Firstly, that Sibanye's Memorandum of Incorporation, read with the JSE Listings Requirements, requires of the Sibanye Shareholders to authorise the Board to, *inter alia*, allot and issue any unissued Sibanye Shares, such as (i) the Consideration Shares to RPM and (ii) the Sibanye Shares through a VCP to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof, prior to the Board being authorised to do so. A general authority was granted by the Sibanye Shareholders to the Board at the previous annual General Meeting of Sibanye for the allotment and issue of up to 5% (five percent) of the Sibanye Shares already in issue as at 31 December 2014. As the intended allotment and issue of (i) the Consideration Shares to RPM and/or (ii) such Sibanye Shares to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof, is anticipated to exceed 5% (five percent) of the Sibanye Shares already in issue as at 31 December 2014, the effect of passing Ordinary Resolution Number 2 will be to specifically authorise the Board to allot and issue from the current and/or any future authorised but unissued Sibanye Shares (i) the Consideration Shares to RPM; and/or (ii) the Sibanye Shares to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof. Secondly, the Purchase Price may, on and subject to the terms and conditions set out in the SPA, be discharged either through the issue of the Consideration Shares to RPM or in cash. The effect of passing Ordinary Resolution Number 2 will also be to authorise the Board to allot and issue from the current and/or any future authorised but unissued Sibanye Shares, Sibanye Shares to various investors as part of a VCP for the purpose of generating cash for the payment of the Purchase Price or any portion thereof. For Ordinary Resolution Number 2 to be approved by the Sibanye Shareholders, it must be supported by more than 50% (fifty percent) of the voting rights exercised on the Ordinary Resolution.

In terms of section 48(2)(b)(ii) of the Act, the holders of Shares which are subsidiaries of the Company shall not be entitled to exercise voting rights on the aforementioned resolutions. Furthermore, in terms of the JSE Listings Requirements. Shares held under the Company's share schemes in force as at the date of the General Meeting will not have their votes at the General Meeting taken into account for the purposes of Ordinary Resolution Number 1, which is proposed in terms of the JSE Listings Requirements.

By order of the directors

C Farrel
Company Secretary

Westonaria
15 December 2015

Sibanye GOLD

Sibanye Gold Limited

(Registration number 2002/031431/06)
Share code: SGL ISIN: ZAE000173951
("**Sibanye**" or the "**Company**")

FORM OF PROXY

FOR USE BY CERTIFICATED SIBANYE SHAREHOLDERS AND OWN-NAME DEMATERIALISED SIBANYE SHAREHOLDERS AT THE GENERAL MEETING OF SIBANYE TO BE HELD AT SIBANYE GOLD ACADEMY, RIETKLOOF 349, GLENHARVIE, 1786, SOUTH AFRICA, ON MONDAY, 18 JANUARY 2016 AT 09:00 SOUTH AFRICAN TIME

Certificated Sibanye Shareholders or Dematerialised shareholders with "own-name" registration, and who are entitled to attend and vote at the General Meeting, are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a Sibanye Shareholder and shall be entitled to vote on a show of hands or poll.

Sibanye Shareholders who have Dematerialised their Sibanye Shares, other than own-name Dematerialised Sibanye Shareholders, with a Central Securities Depository Participant (CSDP) or broker should advise their CSDP or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Sibanye Shareholders, other than own-name Dematerialised Shareholders who have Dematerialised their Sibanye Shares must not return this form of proxy to the Transfer Secretaries or deliver it to the Chairman of the General Meeting. Their instructions must be sent to their CSDP or broker for action.

I/We (Full name in block letters) ______________________________

of (address) ______________________________

Telephone number ______________ Cellphone number ______________

Email address ______________________________

being the holder/s of [   ] shares in the issued share capital of the Company

hereby appoint:

1. ______________________________ or failing him/her

2. ______________________________ or failing him/her

3. the chairman of the General Meeting.

as my/our proxy to attend, speak on my/our behalf at the General Meeting to be held at Sibanye Gold Academy, Rietkloof 349, Glenharvie, 1786 South Africa, on **Monday, 18 January 2016 at 09h00** and at any adjournment thereof, and to vote or to abstain from voting on my/our behalf on the Special Resolution and the Ordinary Resolutions to be proposed at the General Meeting as follows:

	For	Against	Abstain
Special Resolution 1 – Approval for the allotment and issue of Sibanye Shares, including in particular but not limited to the Consideration Shares, as required by and in terms of section 41(3) of the Companies Act			
Ordinary resolution 1 – Approval of the Transaction as a Category 1 transaction as required by and in terms of the JSE Listings Requirements			
Ordinary resolution 2 – Specific approval and authority granted to the Board to allot and issue from the current and/or any future authorised but unissued Sibanye Shares (i) the Consideration Shares to RPM; and/or (ii) Sibanye Shares to various investors for the purpose of generating cash for the payment of the Purchase Price or any portion thereof.			

Every person entitled to vote who is present at the General Meeting or its proxy shall be entitled to:

a. on a show of hands, one vote, irrespective of the number of Sibanye Shares such person holds or represents, provided that a proxy shall irrespective of the number of shareholders he/she represents, have only one vote;

b. on a vote by poll, one vote for each Sibanye Share such person holds or represents.

A proxy may not delegate his/her authority to act on his/her behalf to another person. (see note 11).

This form of proxy will lapse and cease to be of force and effect immediately after the General Meeting of the Company and any adjournment(s) thereof, unless it is revoked earlier (as to which see notes 15 and 16).

Signed at ______________ on ______________ 2016

Name in block letters ______________________________

Signature ______________________________

Assisted by me (where applicable) ______________________________

This proxy form is not for use by holders of American Depositary receipts issued by the Bank of New York Mellon. Please read the notes and instructions.

Summary of Sibanye Shareholders' rights in respect of proxy appointments as set out in sections 56 and 58 of the Act and notes to the form of proxy

Notes to the form of Proxy

1. Section 56 grants voting rights to holders of beneficial interest in certain circumstances, namely if the beneficial interest includes the right to vote on the matter, and the person's name is on the Company's register of disclosures as the holder of a beneficial interest. A person who has a beneficial interest in any securities that are entitled to be voted on by him/her, may demand a proxy appointment from the registered holder of those securities, to the extent of that person's beneficial interest, by delivering such a demand to the registered holder, in writing, or as required by the applicable requirements of a central securities depository.
2. A proxy appointment must be in writing, dated and signed by the person appointing the proxy.
3. Forms of proxy must be delivered to the Company before a proxy may exercise any voting rights at a general meeting. In respect of the General Meeting this must be done either by returning the Form of Proxy to Computershare Investor Services Proprietary Limited at Ground Floor, 70 Marshall Street, Johannesburg, or to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, to be received on or before 09:00 on Thursday, 14 January 2016 or if not so received by Monday, 18 January 2016, by presenting it to a representative of Computershare Investor Services Proprietary Limited at the premises of the Company immediately before the commencement of the General Meeting; alternatively by presenting it to the Company Secretary at the premises of the Company at any time before the commencement of the General Meeting. Forms can be posted or hand delivered.
4. Each person entitled to exercise any voting rights at the General Meeting may appoint a proxy or proxies to attend, speak, vote or abstain from voting in place of that holder.
5. A person entitled to vote may insert the name of a proxy or the name of an alternative proxy of the holder's choice in the space provided, with or without deleting the Chairman of the General Meeting. Any such deletion must be initialed. The person whose name stands first on the form of proxy and who is present at the General Meeting shall be entitled to act as proxy to the exclusion of the person whose name follows as an alternative. In the event that no names are indicated, the proxy shall be exercised by the Chairman of the General Meeting.
6. An "X" in the appropriate box indicates that all your voting rights are exercisable by that holder. If no instructions are provided in the form of proxy, in accordance with the above, then the proxy shall be entitled to vote or abstain from voting at the General Meeting, as the proxy deems fit in respect of all your voting rights exercisable thereat, but if the proxy is the Chairman, failure to provide instructions to the proxy in accordance with the above will be deemed to authorise the proxy to vote only in favour of the resolution.
7. You or your proxy are not obliged to exercise all your voting rights exercisable, but the total of the voting rights cast may not exceed the total of the voting rights exercisable by you.
8. Your authorisation to the proxy, including the Chairman of the General Meeting, to vote on your behalf, shall be deemed to include the authority to vote on procedural matters at the General Meeting.
9. The completion and lodging of this form of proxy will not preclude you from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, in which case the appointment of any proxy will be suspended to the extent that you choose to act in person in the exercise of your voting rights at the General Meeting.
10. The Company's memorandum of incorporation does not permit delegation by a proxy.
11. Documentary evidence establishing the authority of a person attending the General Meeting on your behalf in a representative capacity or signing this form of proxy in a representative capacity must be attached to this form.
12. The Company will accept an original and valid identity document, driver's licence or passport as satisfactory identification.
13. Any insertions, deletions or alterations to this form must be initialed by the signatory(ies).
14. The appointment of a proxy is revocable unless you expressly state otherwise in the form of proxy.
15. You may revoke the proxy appointment by: (i) cancelling it in writing, or making a later, inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the Company at its premises or at Ground Floor, 70 Marshall Street, Johannesburg for the attention of Computershare Investor Services Proprietary Limited, or to Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4TU, to be received before the replacement proxy exercises any of your rights at the General Meeting.
16. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on your behalf at the later of (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument is delivered as required in paragraph 15.
17. If this form of proxy has been delivered to the Company in accordance with paragraph 3 then, as long as that appointment remains in effect, any notice that is required by the Act or the Company's Memorandum of Incorporation to be delivered by the Company to the holder of the voting rights must be delivered by the Company to:
    (a) the holder; or
    (b) the proxy, if the holder has:
        (i) directed the Company to do so, in writing; and
        (ii) has paid any reasonable fee charged by the Company for doing so.
18. In terms of section 56 of the Act, the registered holder of any shares in which any person has a beneficial interest, must deliver to each such person a notice of any meeting of the Company at which those shares may be voted on, within two Business Days after receiving such a notice from the Company.

TRANSFER OFFICES

South Africa

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70 Marshall Street
Johannesburg, 2001
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Marshalltown, 2107
Tel: +2711 370 5000
Fax: +2711 688 5248

United Kingdom

Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
England

Tel: 0871 664 0300 (calls cost 10 pence per minute plus network extras). Lines are open Monday to Friday, from 09:00 to 17:30

From outside the UK: +44 (0) 20 8639 3399

Email: ssd@capitaregistrars.com

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