

ROYAL BAFOKENG PLATINUM LIMITED (RBPLAT) QUARTERLY REVIEW AND PRODUCTION REPORT FOR
THE PERIOD

1 JANUARY TO 31 MARCH 2016

Operational flexibility and stability, underpinned by sound strategy, delivers strong operational performance

Key features

- 58% and 48% improvement in serious and lost time injury frequency rates respectively
- 9% increase in tonnes delivered
- 12% improvement in tonnes milled
- 4% increase in built-up head grade
- 18% improvement in 4E and platinum ounces produced
- 3% reduction in cash operating cost per 4E and platinum ounce
- 53% reduction in capital expenditure – in line with cash preservation strategy

Description	Unit	Unaudited quarter ended 31 March 2016	Unaudited quarter ended 31 March 2015	March 2016 vs. March 2015
Safety				
SIFR (/200,000 hrs)	rate	0.05	0.12	58%
LTIFR (/200,000 hrs)	rate	0.25	0.48	48%
Production				
Tonnes delivered to concentrators	kt	616	564	9%
BRPM	kt	554	553	0%
Styldrift	kt	62	11	464%
4E delivered grade	g/t	4.06	4.00	1%
Merensky	g/t	4.11	4.22	(3%)
UG2	g/t	3.88	3.66	6%
Total tonnes milled	kt	607	540	12%
BRPM	kt	544	530	3%
Styldrift	kt	63	10	530%
% UG2 of total tonnes milled	%	22	27	(19%)
4E built-up head grade	g/t	4.04	3.87	4%
Merensky	g/t	4.12	4.00	3%
UG2	g/t	3.75	3.53	6%
Concentrator recovery (4E)	%	86.14	85.47	1%
Metals in concentrate produced*				
4E	koz	67.9	57.5	18%
Platinum	koz	43.6	36.9	18%
Palladium	koz	18.3	15.3	20%
Rhodium	koz	4.0	3.6	11%
Gold	koz	2.0	1.6	25%
4E + Ruthenium and Iridium	koz	74.0	63.1	17%
Nickel	kt	0.417	0.348	20%
Copper	kt	0.265	0.222	19%
Cash operating costs				
Cash operating costs**	R'm	625	595	(5%)
Cash operating cost / tonne milled**	R/t	1 149	1 121	(2%)
Cash operating cost / 4E oz**	R/oz	10 095	10 383	3%
Cash operating cost / Pt oz**	R/oz	15 718	16 153	3%
Capital expenditure				
Total capital	R'm	236.7	508.8	53%
Expansion	R'm	184.6	445.2	59%
Replacement	R'm	31.2	42.0	26%
Stay-in-business (SIB)	R'm	20.9	21.7	4%
SIB as a percentage of operating cost	%	3.3	3.6	8%

*Metals in concentrate produced include Styldrift I on-reef development ounces

** Costs are calculated excluding Styldrift I on-reef development tonnes, ounces and costs

SAFETY

The safety turnaround strategy implemented late in 2015 continues to show positive trends with our objective to progress the operation to a *Resilient* culture and achieve our goal of zero harm. No fatalities were recorded during the reporting period, with serious injury and lost time injury frequency rates reducing by 58% and 48% respectively.

PRODUCTION

Total tonnes delivered to concentrators increased by 9%, whilst tonnes milled increased by 12%, the built-up head grade improved by 4% and overall concentrator recovery ended 1% higher compared to the first quarter of 2015. The improvement in tonnes milled, built-up head grade and recovery yielded an 18% year-on-year increase in 4E and platinum ounce production.

CASH OPERATING COSTS

Persistent focus on cost management has resulted in the year-on-year increase in cash operating costs being maintained well below mining inflation at 5% and combined with the improved production volumes resulted in the unit cost per tonne milled increasing by only 2%.

The 4% increase in built-up head grade and 1% improvement in recovery has yielded a 3% reduction in the cash operating cost per 4E and platinum ounce compared to the same period in 2015.

CAPITAL

Capital expenditure ended 53% or R272 million lower for the period under review when compared to the same period in 2015. The reduction in expenditure is aligned with our cash preservation strategy initiated in the second half of 2015 which included reducing construction activities and related capital expenditure at our Styldrift I project, deferring construction activities on our Phase III replacement project and maintaining SIB expenditure at around 4%.

PROJECTS

Styldrift I project (expansion)

Mining and infrastructure construction related activities during the quarter were aligned with the revised project construction schedule. The key focus during the quarter was on:

- Completion of the BRPM 250ktpm concentrator upgrade – metallurgical circuit
- Continuing with on-reef lateral development on 600 Level to establish workshops and related infrastructure
- Preparatory mining and construction activities to support development and raise-boring activities on 642 and 708 Levels to establish rock and water handling related infrastructure
- Silo 2 construction
- Upfront preparation work related to commencing with Services shaft equipping in the third quarter of 2016

Capital expenditure for the quarter amounted to R185 million bringing total expenditure on the project to R5.66 billion. Total expenditure for the project for 2016 remains forecast at R1 billion.

BRPM Phase III project (replacement)

The project, which entails the extension of the North shaft decline access infrastructure and associated reef infrastructure from level 10 to the mine boundary at level 15 continues to advance well. Project progress and expenditure is aligned with the revised deferment strategy and the project remains set for completion in 2017 as per the original project schedule. Project expenditure for the quarter amounted to R31.2 million bringing the total project expenditure to date to R1.02 billion.

The information set out in this announcement has not been reviewed and reported on by the company's external auditors.

Johannesburg

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JSE Sponsor:

Merrill Lynch South Africa (Pty) Ltd

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