

FACT SHEET

TWO RIVERS



Two Rivers, a joint venture between African Rainbow Minerals (ARM) (51%) and Implats (49%), is managed by ARM. The operation is situated on the farm Dwarsrivier on the southern part of the eastern limb of the Bushveld Complex some 35 kilometers south-west of Burgersfort in Mpumalanga, South Africa. The operation comprises two on-reef decline shafts and a concentrator plant and has a life-of-mine offtake agreement with Impala Refining Services (IRS). In FY2016 Two Rivers produced 183 400 ounces of refined platinum.



GEOLOGY

Both the Merensky and underlying UG2 Reefs occur on the property but only the UG2 is currently exploited. The UG2 outcrops in the Klein Dwarsrivier valley over a north-south strike length of 7.5 kilometres and dips to the west at about 7 to 10 degrees. The vertical separation between the Merensky and UG2 Reefs is around 140 to 160 metres. Due to the extreme topography, the Merensky reef outcrops further up the mountain slope and also results in the UG2 occurring at a depth of 935 metres below surface on the western boundary.

Three distinct reef types have been defined for the UG2 Reef at Two Rivers, namely the 'normal reef' with a thick main chromitite layer; a 'split reef' characterised by an internal pyroxenite/norite lens within the main chromitite layer; and a 'multiple split reef' with numerous pyroxenite/norite lenses occurring within the main chromitite layer.

Mineral Resources (inclusive reporting) as at 30 June 2016

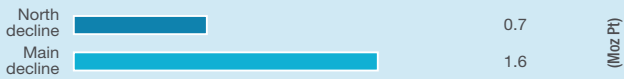
	Category	Tonnes (Mt)	Width (cm)	4E Grade (g/t)	6E Grade (g/t)	Platinum (Moz)
Merensky	indicated	60.6	229	2.85	3.11	3.3
	inferred	99.2	148	3.61	3.92	6.7
UG2	measured	14.9	152	4.54	5.52	1.3
	indicated	57.9	188	4.17	5.03	4.3
	inferred	117.8	169	4.86	5.75	9.6
	Total	350.4		4.03	4.65	25.1

Mineral Reserves as at 30 June 2016

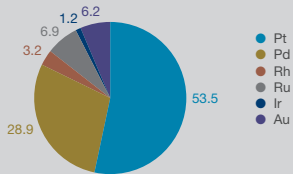
Orebody	Category	Tonnes (Mt)	Width (cm)	4E Grade (g/t)	6E Grade (g/t)	Platinum (Moz)
UG2	proved	11.7	246	3.09	3.76	0.7
	probable	31.5	278	2.87	3.48	1.6
	Total	43.3		2.93	3.56	2.3



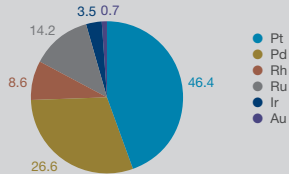
Two Rivers Mineral Reserve distribution



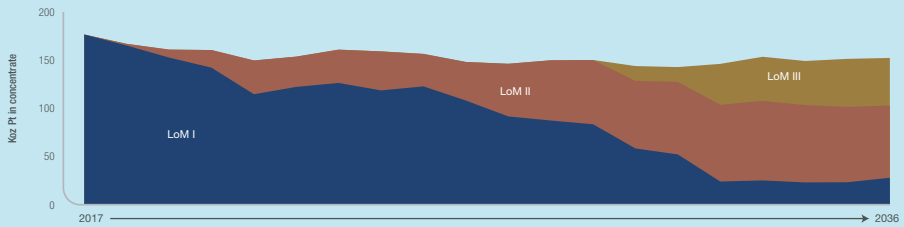
Two Rivers Merensky 6E metal ratio (%)



Two Rivers UG2 6E metal ratio (%)



Two Rivers 20-year Pt oz profile



MINING

The UG2 orebody is accessed via two decline shaft systems situated three kilometres apart, namely the Main Decline and the North Decline. Underground mining operations are fully mechanised and the bord and pillar mining method is employed where stoping widths average around 1.8 metres. A mining section consists of eight 12 metre rooms, with pillar sizes increasing with depth below surface.

METALLURGY

Two Rivers has a concentrator plant on site, where initial processing is done. It comprises a standard MF2 design as generally used in the industry. Concentrate is transported by road to Implats' Mineral Processes in Rustenburg where further processing takes place in terms of an agreement with Impala Refining Services (IRS).

SUSTAINABLE DEVELOPMENT

Two Rivers is committed to social development initiatives and engages in, develops and builds community relationships. It takes responsibility for economic, social and environmental issues that impact its people, communities and environments and is involved in a number of community projects in the area. The Two Rivers Platinum Community Forum was established primarily to share information about the mine with local communities and to set up a focus and network for social upliftment projects.



HISTORY

Platinum was first discovered in the area by renowned explorer Hans Merensky on the nearby farm Maandagshoek (now Modikwa Platinum) in the 1920's. During 2001, Assmang elected to dispose of its platinum interests at the Dwarsrivier Chrome mine. Two Rivers Platinum, the incorporated Joint Venture between Avmin and Implats secured the platinum rights in December of that year. Subsequent corporate activity involving Avmin, ARM and Harmony resulted in the transfer of Avmin's share in Two Rivers to a new, empowered platinum entity, ARM Platinum, a division of ARM. The joint venture partners began development of the Two Rivers project in June 2005. The concentrator plant was commissioned early in FY2007 and in FY2008 the mine successfully made the transition from project to operation.

In 2015 portions 4, 5 and 6 of the farm Kalkfontein, as well as portion of the farm Tweefontein, were incorporated into the Two Rivers mining right. An agreement was also reached for the remaining Implats-owned mineral rights on portions of the farms Kalkfontein and Buffelshoek in exchange for a royalty payment.

BLACK ECONOMIC EMPOWERMENT

African Rainbow Minerals (ARM) was founded in 2004 as South Africa's first black-owned mining company. As such Two Rivers complies with the BEE equity component of the Mining Charter while all other aspects of the Charter are dealt with at an operational level. The operation subscribes to the transformation of South African business by actively promoting BEE ownership and employing local SMEs (small- and medium-sized enterprises).

TWO RIVERS – KEY STATISTICS

TWO RIVERS – KEY STATISTICS		FY2016	FY2015	FY2014	FY2013	FY2012
Production						
Tonnes milled ex mine	('000t)	3 511	3 362	3 279	3 172	3 103
Headgrade (6E)	(g/t)	4.06	3.98	4.01	4.02	3.86
Platinum in concentrate	('000oz)	185.9	173.5	175.1	162.2	149.9
PGM in concentrate	('000oz)	400.7	372.6	374.7	350.4	320.1
Labour efficiency						
Tonnes milled per employee costed** (t/man/annum)		1 059	1 029	988	921	941
Cost						
Mining cost of sales	(Rm)	(2 822)	(2 657)	(2 587)	(2 233)	(1 827)
Mining operations	(Rm)	(1 785)	(1 714)	(1 657)	(1 581)	(1 357)
Processing operations	(Rm)	(404)	(359)	(345)	(314)	(264)
Other	(Rm)	(633)	(584)	(585)	(338)	(206)
Total cost	(Rm)	2 189	2 073	2002	1895	1621
Unit costs	(US\$m)	152	182	193	215	209
per tonne milled	(R/t)	623	617	611	597	522
	(US\$/t)	43	54	59	68	67
per platinum ounce in concentrate	(R/oz)	11 775	11 948	11 433	11 683	10 814
	(US\$/oz)	816	1 047	1 103	1 325	1 396
Financial ratios						
Gross margin ex mine	(%)	27.5	27.7	29.5	22.1	21.8
Capital expenditure						
	(Rm)	282	275	319	489	467
	(US\$m)	20	24	31	55	60
Safety						
LDIFR	(pmmhw ⁺)	2.1	1.2	1.4	1.8	1.4
FIFR	(pmmhw ⁺)	–	–	–	–	0.3
Labour complement						
Own employees	(no)	2 410	2 404	2 350	2 410	779
Contractors	(no)	960	879	1 066	1 296	2 735

** Total employees excluding capital project employees

+ Per million man hours worked



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TWO RIVERS
PLATINUM