

# A compelling platinum story



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# About RBPlat

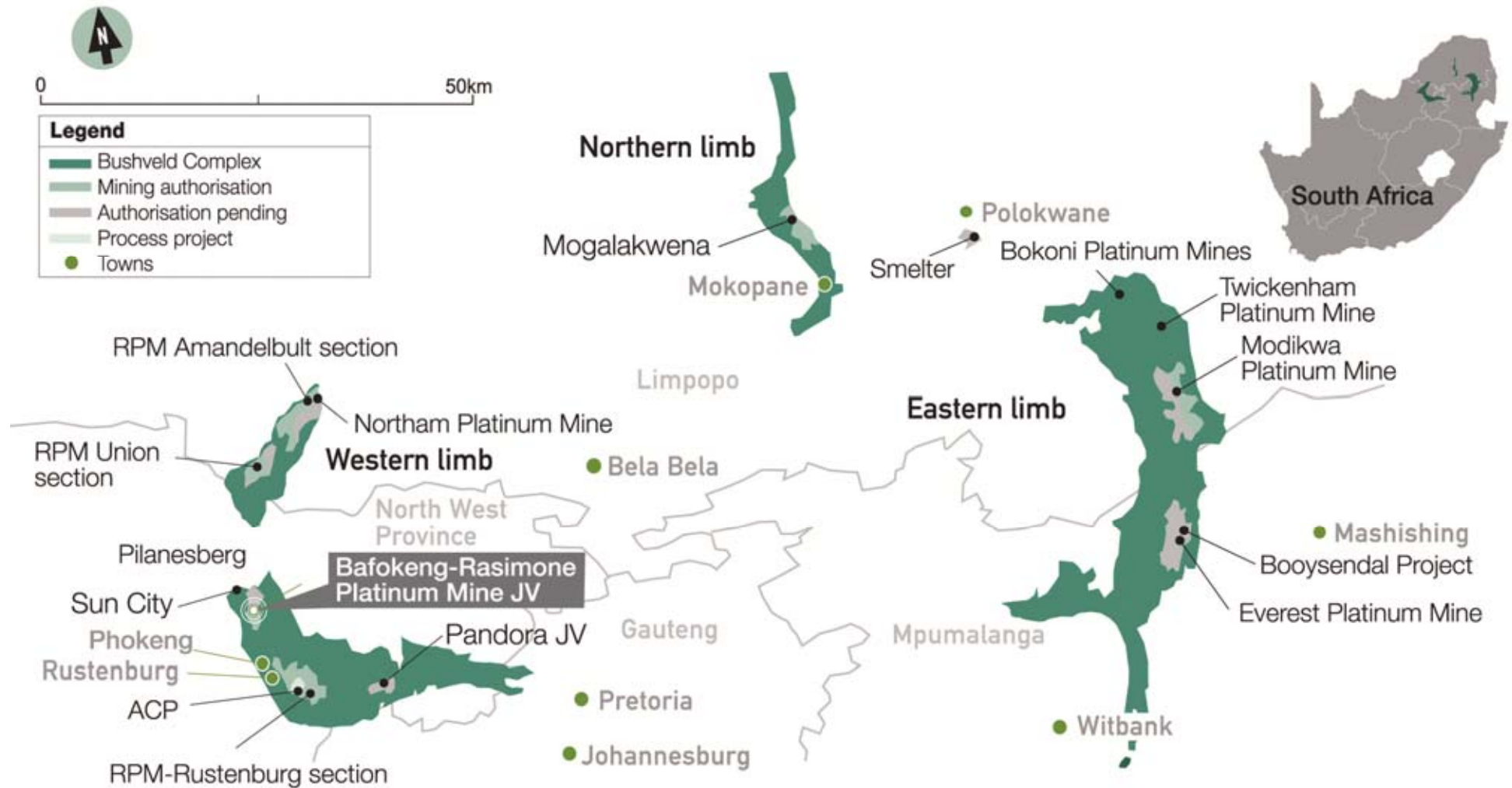


# About Royal Bafokeng Platinum (RBPlat)

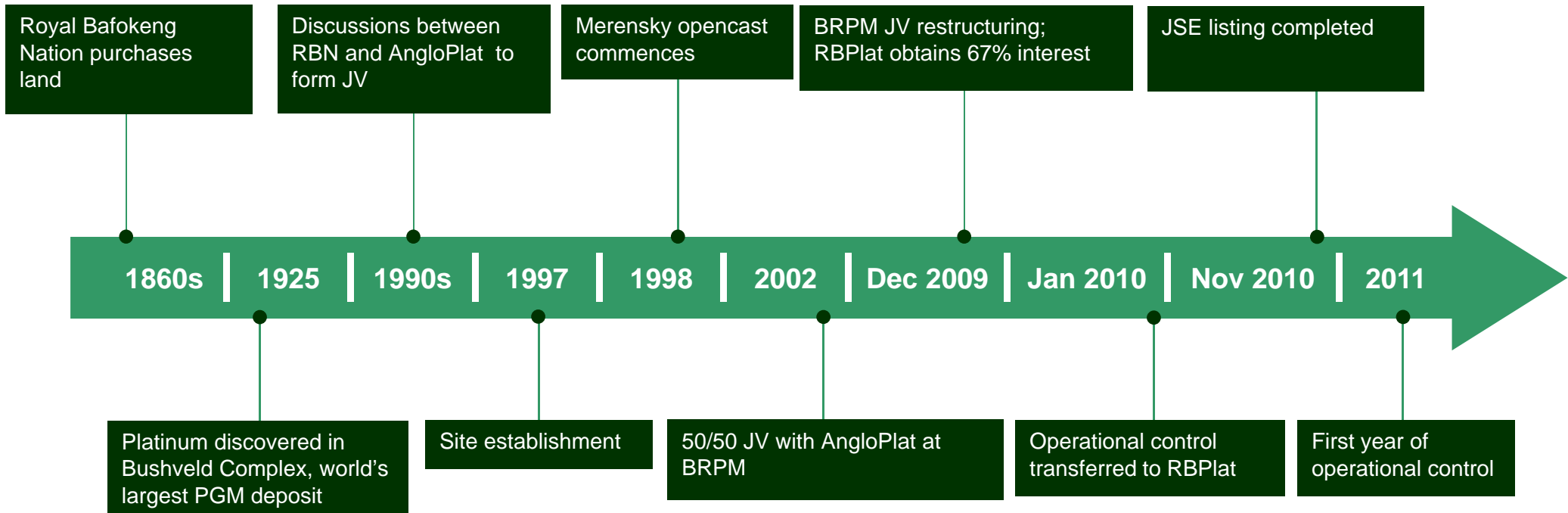
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- Black-owned and controlled, mid-tier PGMs producer
- Assets located on Western Limb of Bushveld Complex, South Africa
- 67% interest in Bafokeng Rasimone Platinum Mine (BRPM), unincorporated JV with Anglo American Platinum
  - Boschkopie mine (operating since 1998), Styldrift I project (production to commence in 2014)
  - assumed managerial, operational control in January 2010
  - shallow Merensky producer
  - BRPM JV total 4E resource base of 75Moz (53.1Moz, measured and indicated)
  - producing assets of approx 288,000 ounces of 4E PGM concentrate per annum
  - 6,398 employees (including contractors)
  - +60 year life-of-mine
- Experienced management team, with clear focus and operational flexibility
- Experienced and independent board
  - seven non-executive directors, six of whom are independent
- JSE listed: Market cap of R9.1 billion (August 2011)

# Prime location on the Western Limb

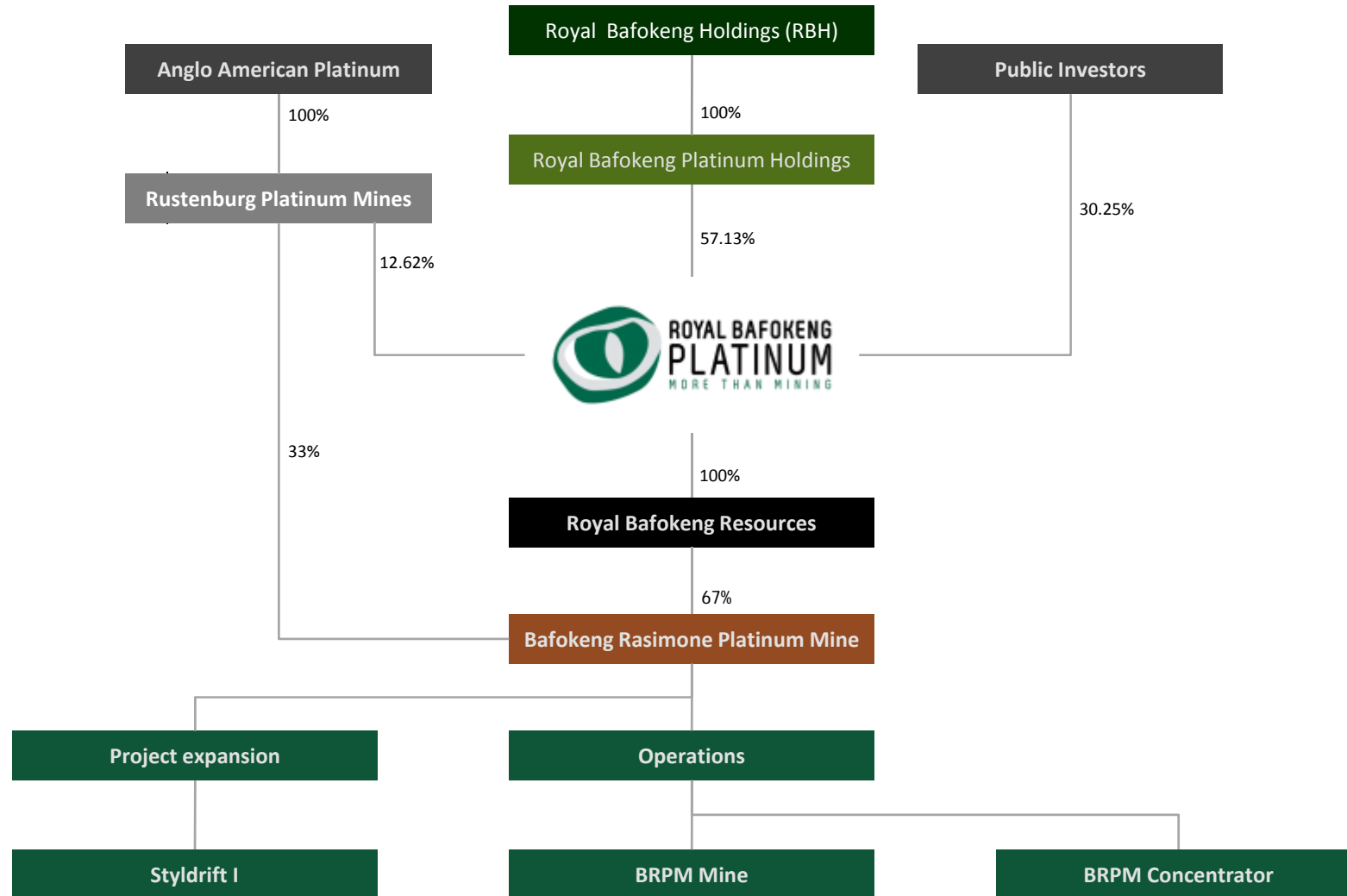


# A long and proud history





# Ownership structure



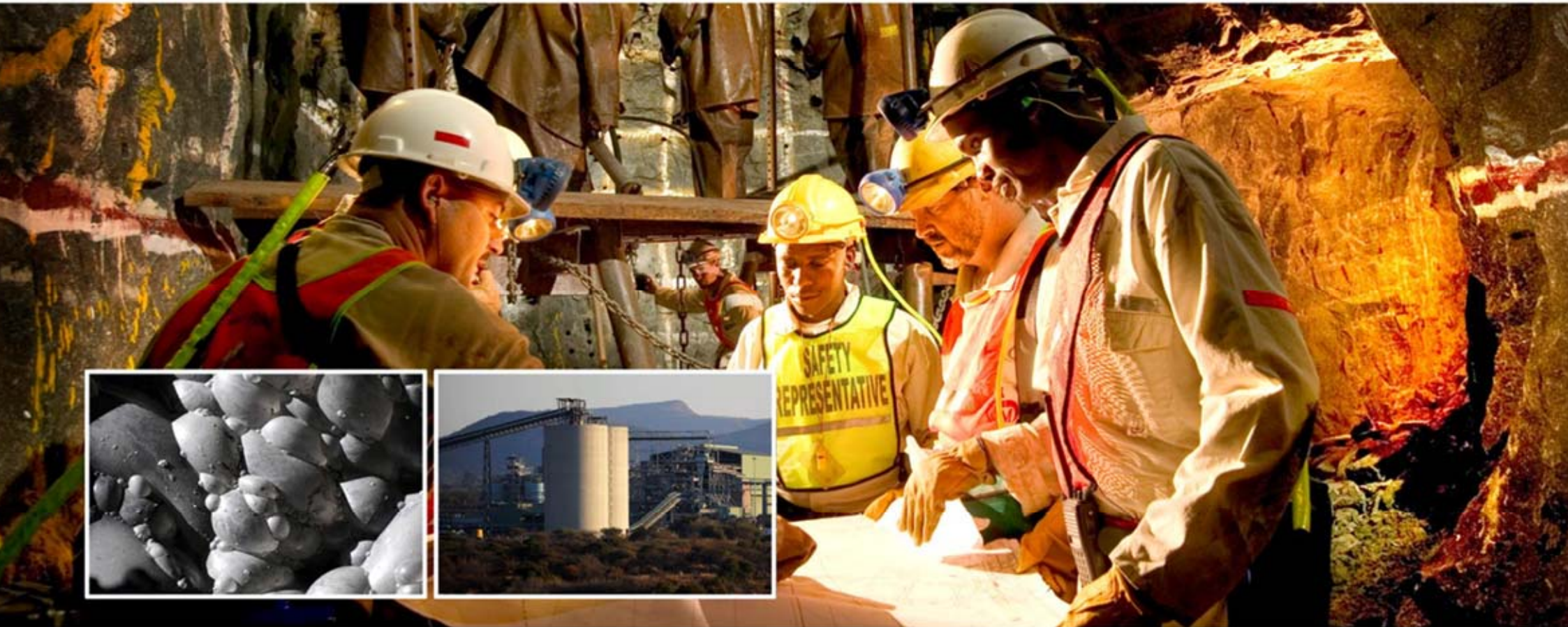
# Our strategy

- Achieve **operational excellence** at BRPM (optimising volumes and reducing costs)
- Grow **organically** through Styldrift
- Bring Styldrift II forward as an **expansion** project
- Build **flexibility** in the business with co-extraction
- Pursue **value-enhancing** acquisitions and synergies





# Our business





# Well-established shallow Merensky producer on Western Limb, well-developed infrastructure

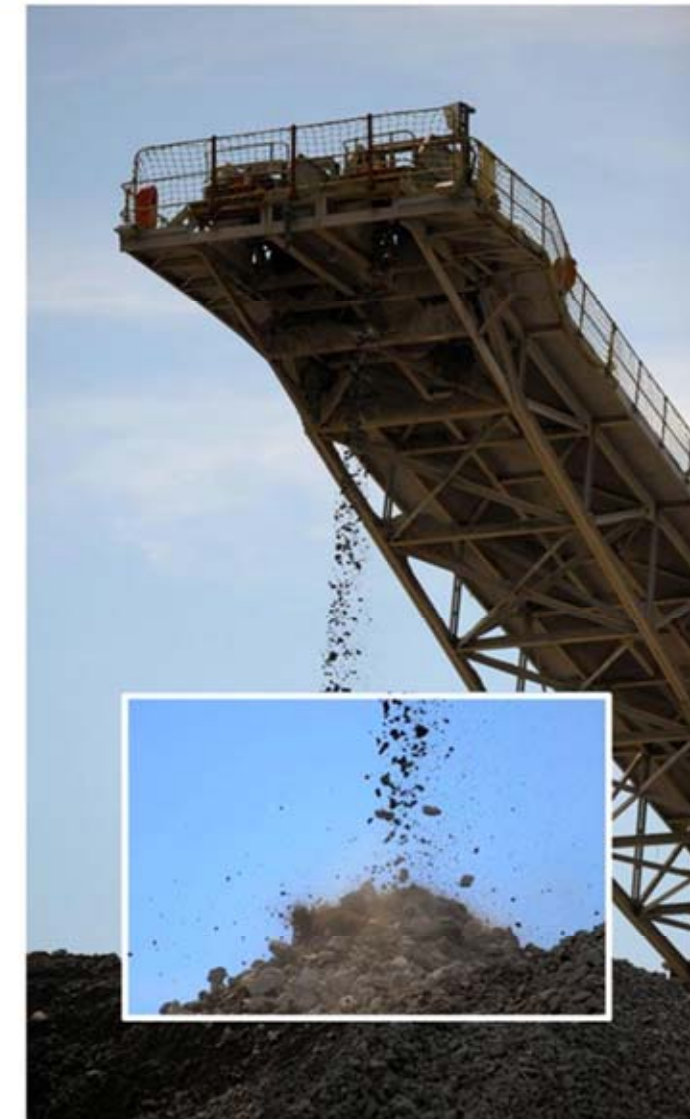
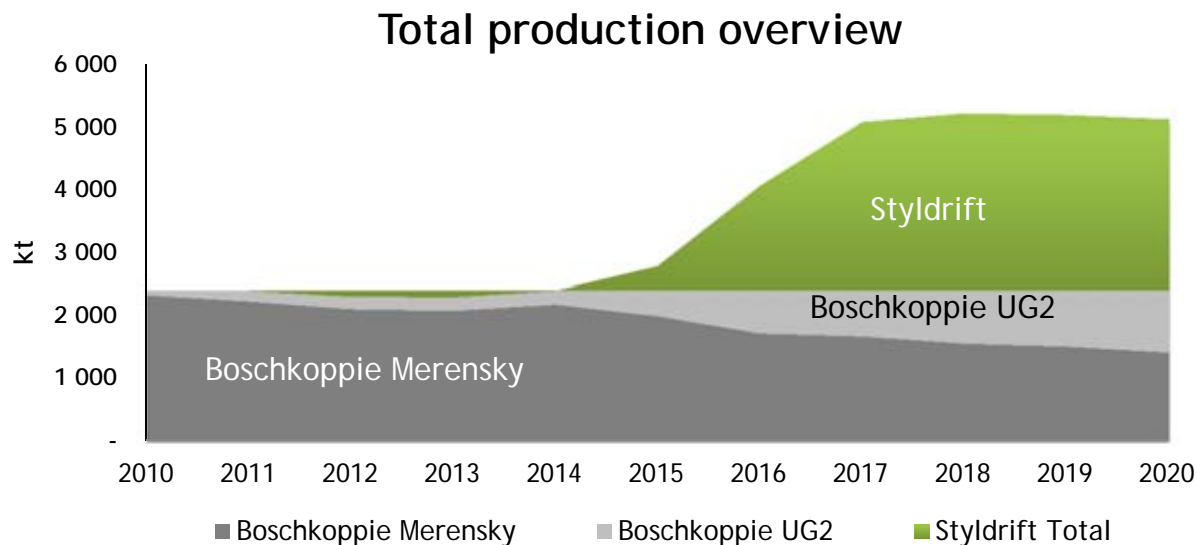


- 12 years of operation
  - well-understood, defined geology
  - sophisticated 3D seismic exploration
- Shallow depth
  - Boschkopie mine: twin decline shaft complex at 500m
  - Styldrift I project: new twin vertical shaft system at 740m
    - shallowest new shaft in industry
- Growth
  - full mining and concentrating infrastructure on Boschkopie site
  - existing Boschkopie concentrator capacity of 200,000tpm
  - planned expansion to 250,000tpm
    - additional capacity to treat UG2
  - planned addition of 230,000tpm to concentrator capacity at Styldrift I in 2016



# Well-established shallow Merensky producer on Western Limb, well-developed infrastructure

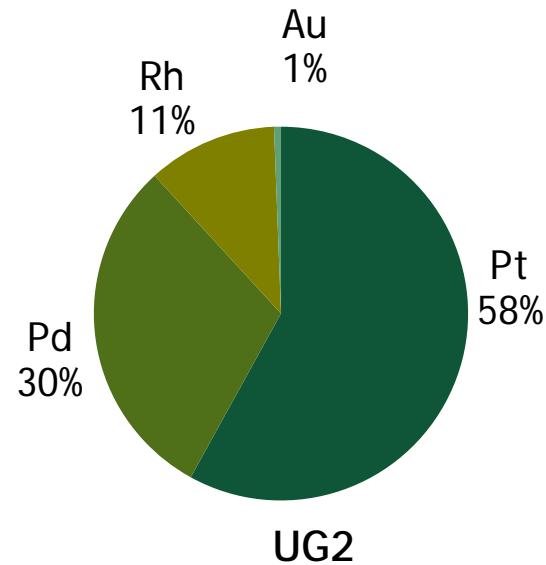
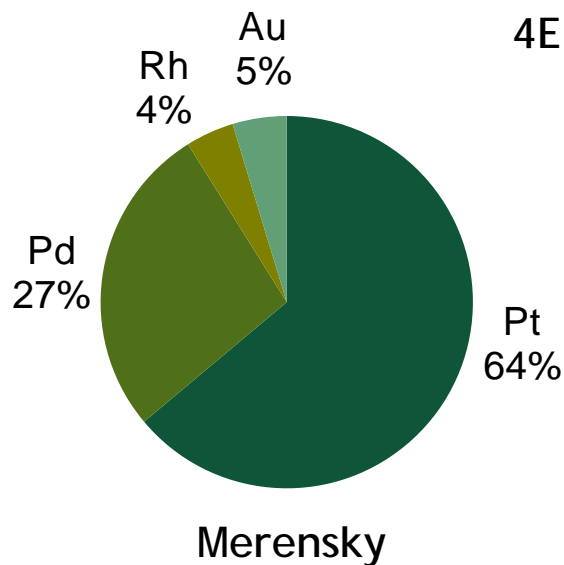
- Focus on Merensky, with significant quality UG2
  - Merensky production growth at Styldrift I from 2017
  - UG2 to gradually replace Merensky production from 2014 at Boschkoppie south shaft, and from 2025 at north shaft
  - UG2 mining at Styldrift expected after 2040 with possible early co-extraction





# Attractive margins with scope for cost reduction

- High grade, attractive prill split
  - significant base metal revenue contribution (nickel 11% in 2010)
- Improvement opportunities
  - continued optimisation of production volumes
  - cost optimisation through expenditure review and analysis
  - leveraging full potential of BRPM resource base
  - expansion and sustainability



# Poised to grow organically and through consolidation

- High-grade resource base with organic growth potential
- Supportive, well capitalised shareholders
- Leading internal growth projects on last remaining shallow Merensky reef
  - increase in production planned with Styldrift I project (2.7mtpa)
  - operating cash flows provide funding for growth projects
- Wealth of management expertise and experience in project execution, strategy and corporate finance
- Strong BEE credentials through majority control by RBN with headroom for potential equity dilution
- History of development and efficiency improvement
  - Boschkopie production expected to be maintained at 2.4mtpa until 2033
- Location of assets – a catalyst for consolidation

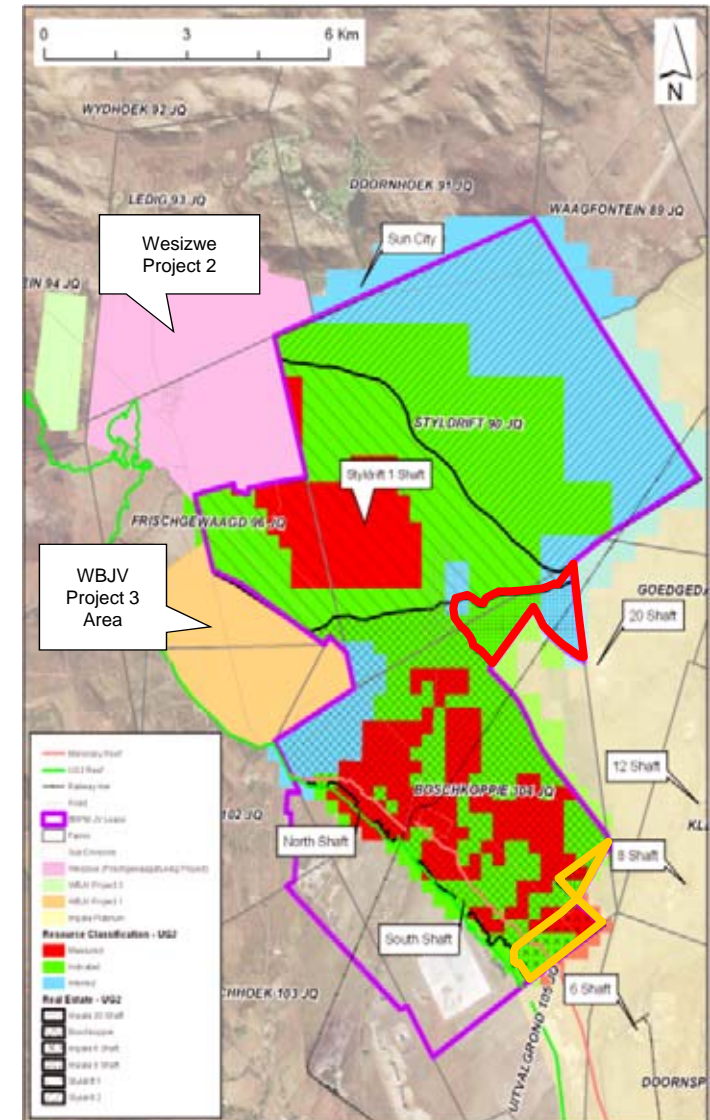


# Poised to grow organically and through consolidation

## Value-enhancing transactions with Impala



- Key commercial terms agreed on:
  - 7-year mining arrangement with Impala via Impala's #6 & 8 shafts
    - resource of 780koz of UG2
  - 30-year mining arrangement with Impala via Impala's #20 shaft
    - resource of 2.2moz of both Merensky and UG2 (boot area)
  - all mining, safety, health and environmental risks borne by Impala



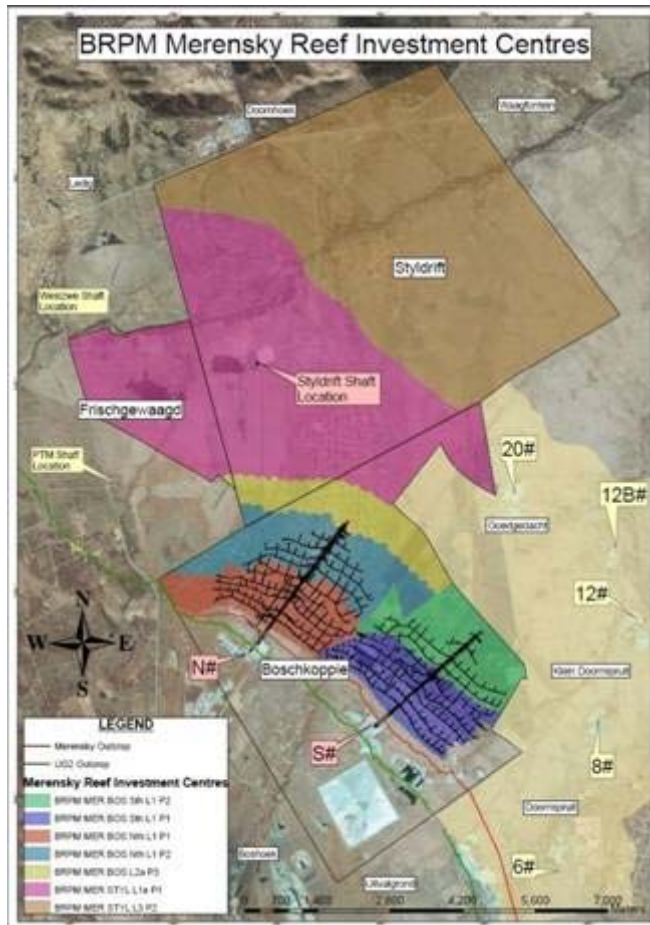


# Our operations

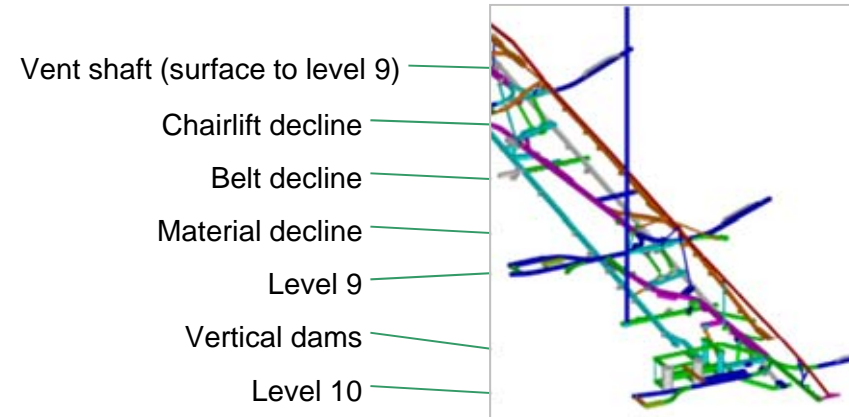


# Geology, layout and access

## BRPM layout



## Shaft layout

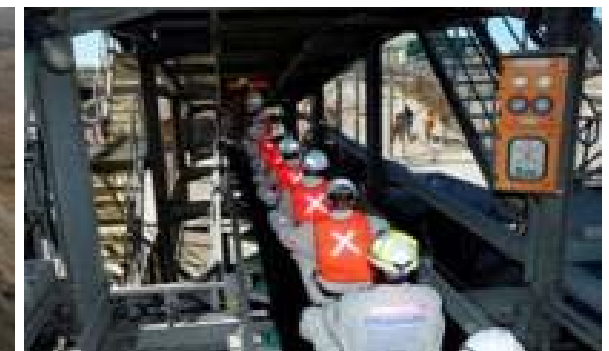


Source: Company

## Orebody access



Ore conveyed to plant



Belt riding



# Well-developed infrastructure

**North Shaft**



**South Shaft**



**Concentrator Plant**



**ISA Mill**

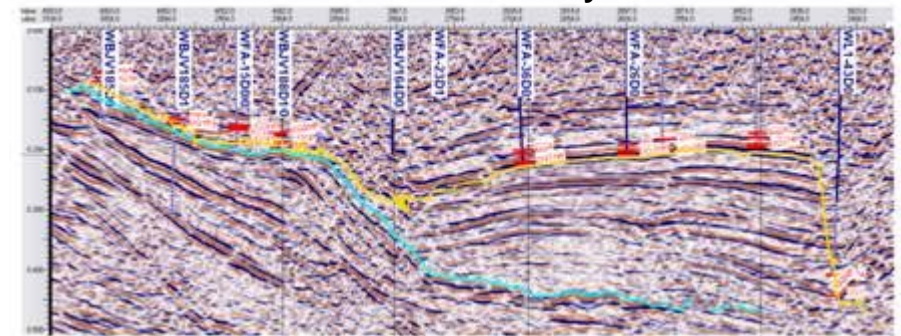




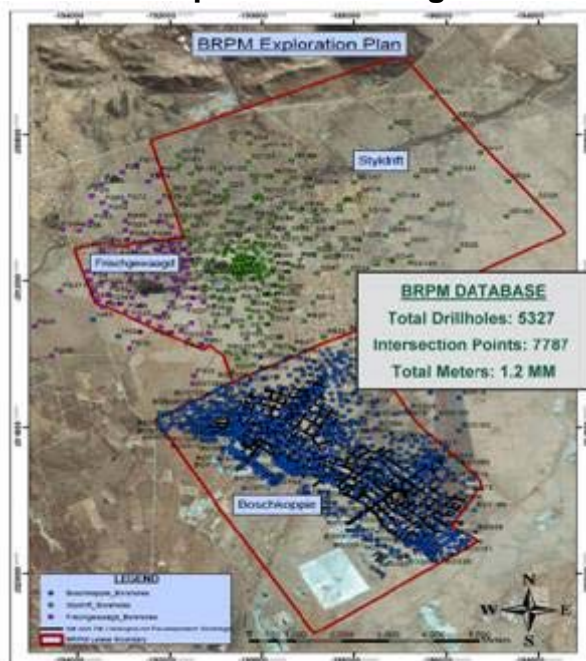
# Resource optimisation strategy and exploration

- Geology
  - well-understood, high-quality orebody
  - total drillholes: 5,327
  - intersection points: 7,787
  - total drilled metres: 1,200km
  - aeromagnetic and 3D seismic surveys

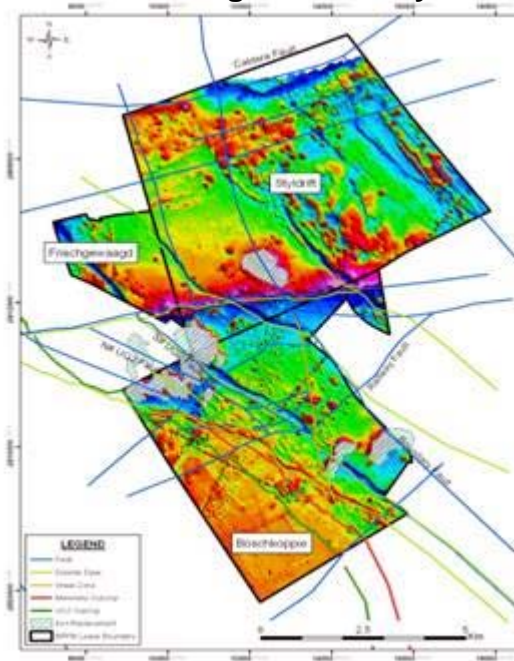
3D seismic survey



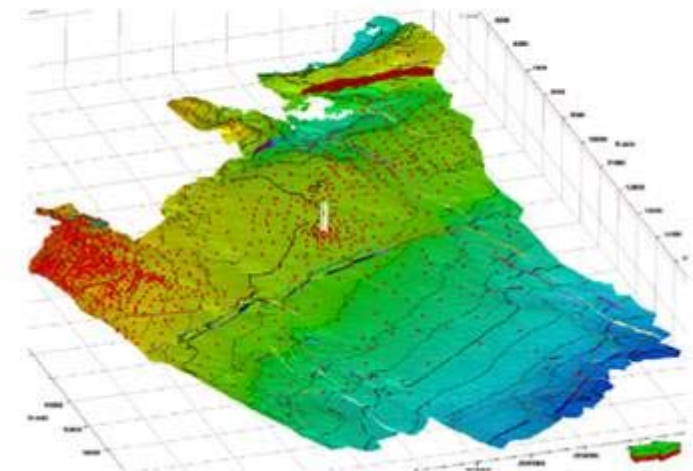
Exploration drilling



Aeromagnetic survey



Source Company



# Resources and reserves

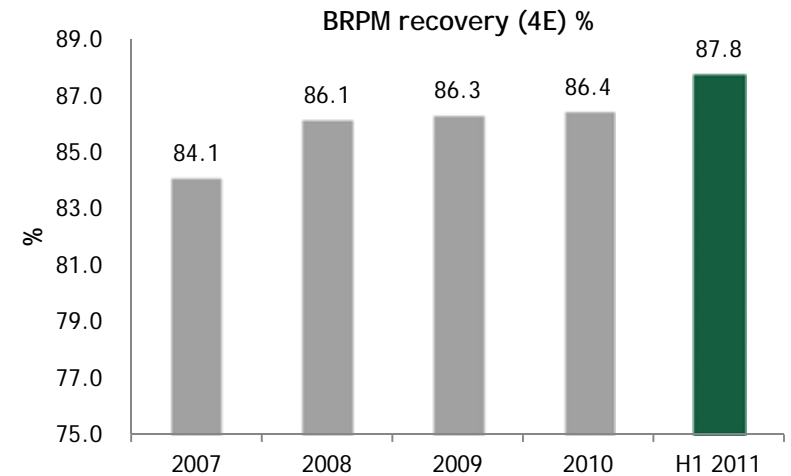


Description	100% Inclusive Resource			RBPlat 67%		
	Mt	4E g/t	4eMoz	Mt	4E g/t	4eMoz
<b>Boschkoppie</b>						
<b>Merensky</b>						
Measured	15.15	7.42	3.62	10.15	7.42	2.42
Indicated	11.45	6.94	2.55	7.67	6.94	1.71
Inferred	8.05	7.63	1.98	5.39	7.63	1.32
<b>Merensky Total</b>	<b>34.65</b>	<b>7.31</b>	<b>8.14</b>	23.22	7.31	5.46
<b>UG2</b>						
Measured	30.66	5.33	5.25	20.54	5.33	3.52
Indicated	32.05	5.27	5.43	21.47	5.27	3.64
Inferred	9.95	4.69	1.50	6.67	4.69	1.01
<b>UG2 Total</b>	<b>72.66</b>	<b>5.22</b>	<b>12.19</b>	48.68	5.22	8.17
<b>Total Boschkoppie</b>	<b>107.31</b>	<b>5.89</b>	<b>20.33</b>	<b>71.90</b>	<b>5.89</b>	<b>13.62</b>
<b>Styldrift</b>						
<b>Merensky</b>						
Measured	39.77	6.69	8.55	26.65	6.69	5.73
Indicated	55.31	6.48	11.52	37.06	6.48	7.72
Inferred	51.94	6.93	11.57	34.80	6.93	7.75
<b>Merensky Total</b>	<b>147.03</b>	<b>6.69</b>	<b>31.64</b>	98.51	6.69	21.20
<b>UG2</b>						
Measured	19.88	5.26	3.36	13.32	5.26	2.25
Indicated	76.09	5.24	12.81	50.98	5.24	8.59
Inferred	38.46	5.54	6.86	25.77	5.54	4.59
<b>UG2 Total</b>	<b>134.43</b>	<b>5.33</b>	<b>23.03</b>	90.07	5.33	15.43
<b>Total Styldrift</b>	<b>281.45</b>	<b>6.04</b>	<b>54.67</b>	<b>188.57</b>	<b>6.04</b>	<b>36.63</b>

# Production



- Smooth operational handover from 4 January 2010
- Operational strategy aimed at optimising throughput and revenue
  - tonnes milled
  - improved stoping crew efficiency
  - head grade



Description	Unit	H1 2011	2010	2009
Tonnes milled	kt	1,172	2,407	2 154
Concentrate recovery	%	87.8	86.43	86.29
Head grade	g/t	4.32	4.31	4.52
PGM ounces (4E)	000oz	142.1	288.1	269.9



# Operating costs



		H1 2011
Operating labour	Employees	6,398
On-mine cash cost/tonne milled	R/t	765
On-mine cash cost/PGM oz delivered	R/oz (4E)	6,306
On-mine cash cost/Pt oz delivered	R/oz (Pt)	9,732

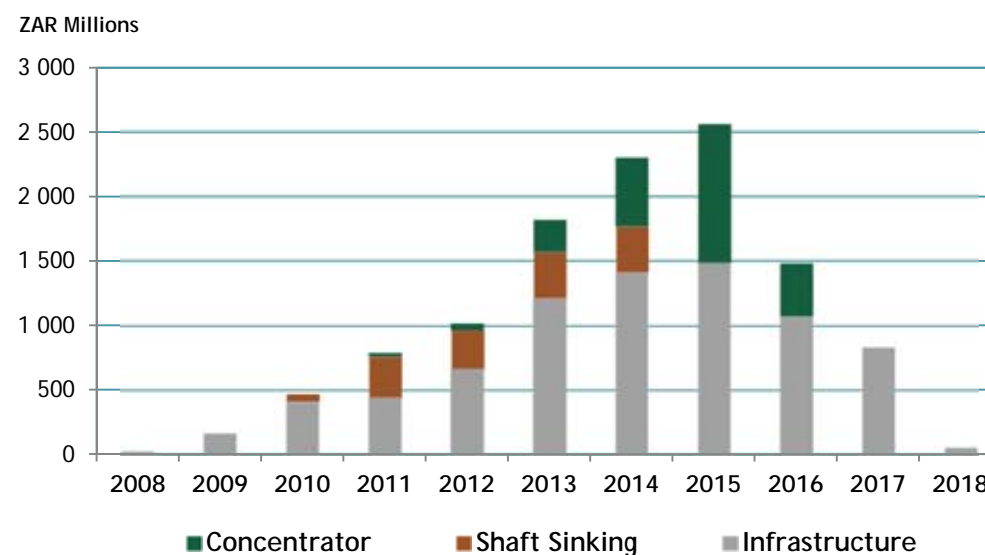
# Styldrift I Project



Capital budget - nominal

Description	Unit	Mining	Concentrator	Total
Authorised & contingency	Rm	6,289	1,422	7,711
Escalation	Rm	3,153	938	4,091
Total nominal	Rm	9,442	2,360	11,802
Latest cost forecast	Rm	9,209	2,360	11,569
Total cost to date	Rm	1,039	0	1,039

Capital cash flow - nominal



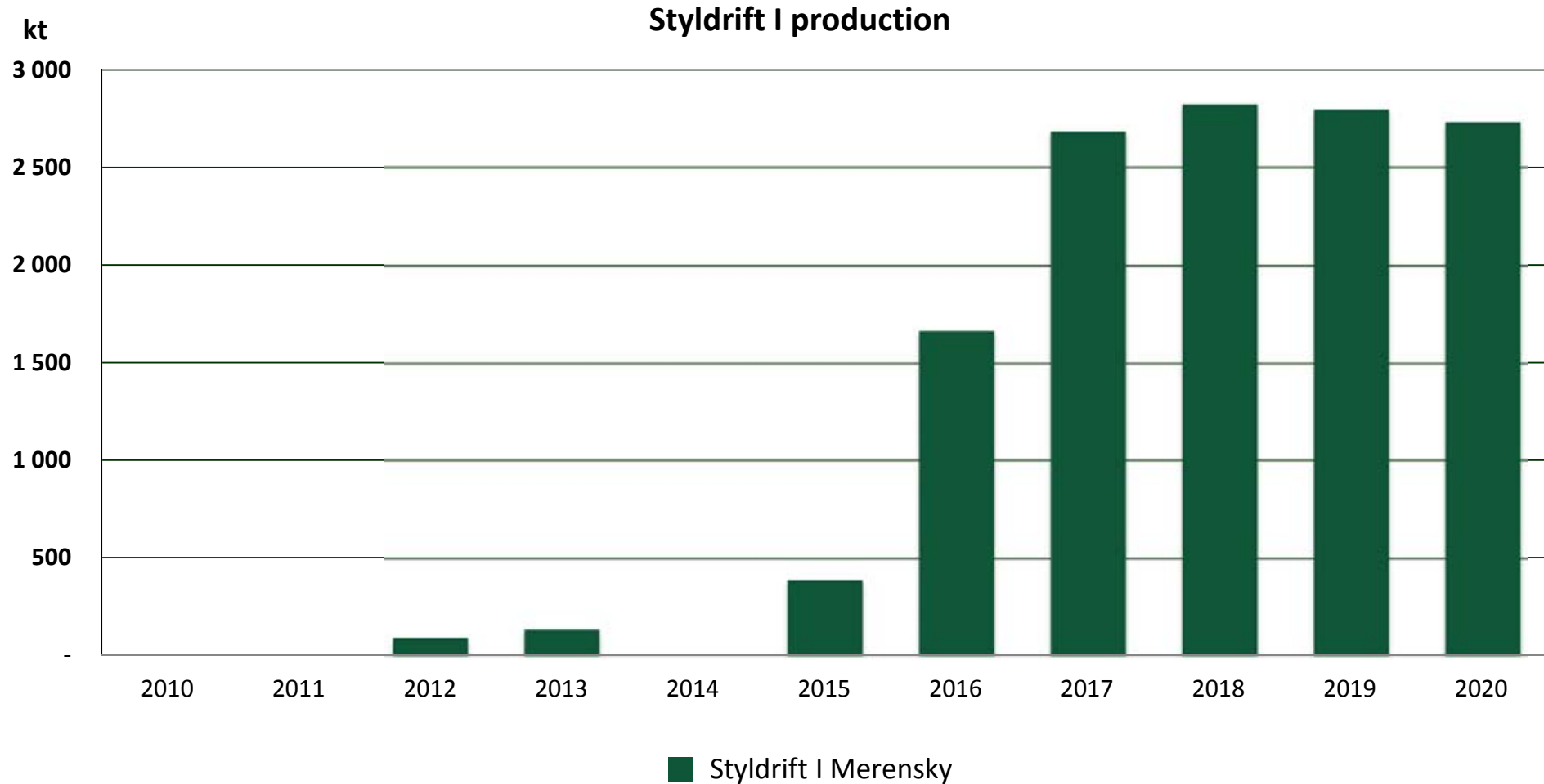
- Total JV production planned to rise to 430,000tpm of milled ore, yielding in excess of 400,000oz platinum-in-concentrate per annum
- Steady-state anticipated in 2017

# Progress at Styldrift



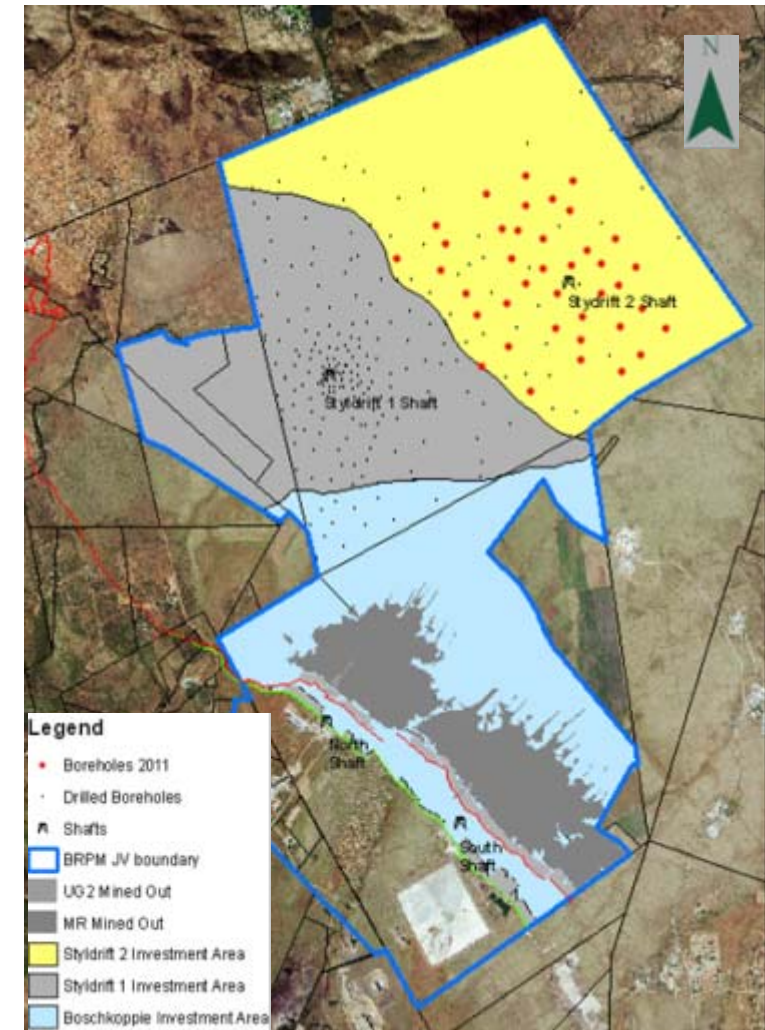


# Styldrift I production profile



# Further organic growth in Styldrift II

- Styldrift II project area
  - resource area  $\pm$  23 million m<sup>2</sup>
  - depth 900m – 1,400m, average dip 9°
  - average Merensky/UG2 middling 35m
- Potential size of investment similar to Styldrift I (+R10 billion)
- Opportunity will be evaluated through:
  - study consisting of a concept, pre-feasibility and feasibility study
  - exploration drilling programme which will develop the resource classification to support various study levels
- Concept study initiated
- Drilling programme initiated
  - 52,000m of drilling planned in 2011, with 26,093m completed end of June
  - reef intersections to date are well defined and relatively undisturbed





# Financial performance





# Key features for 6 months ended 30 June 2011



- **One million** fatality-free shifts achieved by June 2011
- Conclusion of **three-year** wage agreement
- Production steady at **142,100 PGMs** (4E) despite challenging environment
- Concentrator recoveries improve by 1.6% to **87.27%**
- BRPM revenue up by 3% to **R1.5 billion**
- Cash operating cost per tonne milled increased by **14.8%** (9% on normalised basis)
- Earnings per share of **105 cents**, down by 20% from 132 cents in H1 2010
- Balance sheet ungeared with healthy cash and near-cash position of **R1.29 billion**
- Accelerated capital expenditure of R592 million, **up by 63%**
- Styldrift I Project **on schedule**, **R233.4 million** declared savings to date

# Key financial performance indicators



	H1 2011
Average basket price (R/Pt oz)	15,730
Revenue (Rm)	1,510
Cost of sales (Rm)	1,171
<b>Gross profit (Rm)</b>	339
Operating profit (Rm)	316
EBITDA (Rm)	546
<b>Net profit after tax (Rm)</b>	249
Headline earnings (Rm)	172
HEPS (Rand per share)	1.05
Dividend per share (Rand per share)	—

# Key financial performance indicators



	H1 2011
Cash generated by operations (Rm)	390
Cash, net of debt (incl. pref share investment) (Rm)	1,290
Capex (Rm)	592
Gross profit margin (%)	22.5
EBITDA margin (%)	36.1
NAV (Rand per share)	68.1

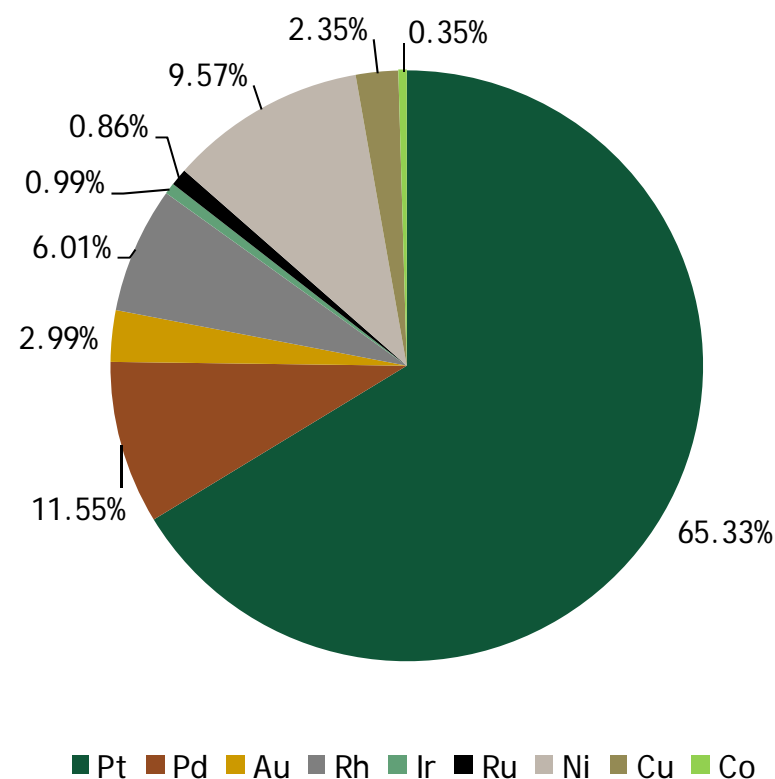


# Sales volumes by metal and average prices achieved



	H1 2011 Sales volume	Average price achieved* (\$)
Platinum (oz)	92,135	1,751/oz
Palladium (oz)	37,817	754/oz
Gold (oz)	4,940	1,497/oz
Rhodium (oz)	7,208	2,059/oz
Iridium (oz)	2,381	1,020/oz
Ruthenium (oz)	12,253	172/oz
Nickel (tonne)	1,032	10.38/lb
Copper (tonne)	658	4/lb

Metals contribution to H1 2011 revenue

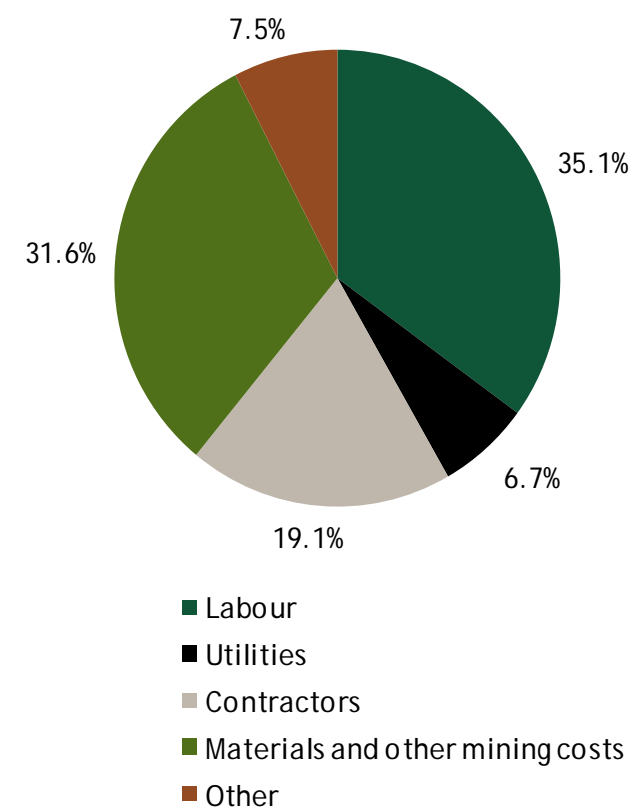


\*Grossed up to 100% from amount received in terms of disposal of concentrate agreement

# Breakdown of cost of sales

	H1 2011
	R million
Labour	331
Utilities	63
Contractor costs	180
Materials and other mining costs	298
Other	69
<b>Cost of sales (excluding depreciation and amortisation)</b>	<b>941</b>

Breakdown of H1 2011 COS (%)



# Our investment case





# A compelling story

- **Compelling sector** with strong demand and supply fundamentals
- **Well-established, shallow Western Limb Merensky producer** with well-developed infrastructure
- **Attractive margin** operations with scope for cost reduction
- **Experienced management** team with clear focus and operating flexibility
- **Supportive ownership** with combined experience and capabilities of Anglo American Platinum and RBH
- **Poised to grow** organically and through consolidation from positive cashflow position
- Experienced and **independent board**



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