

RMB Morgan Stanley Off Piste  
Conference - Cape Town  
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# About RBPlat

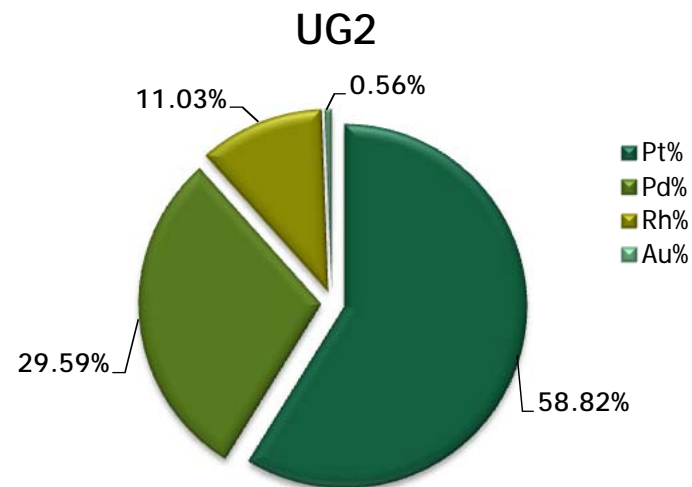
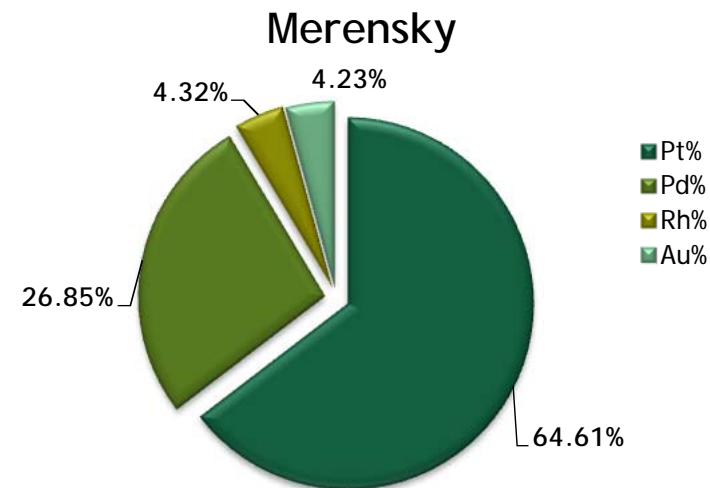


## About Royal Bafokeng Platinum (RBPlat)

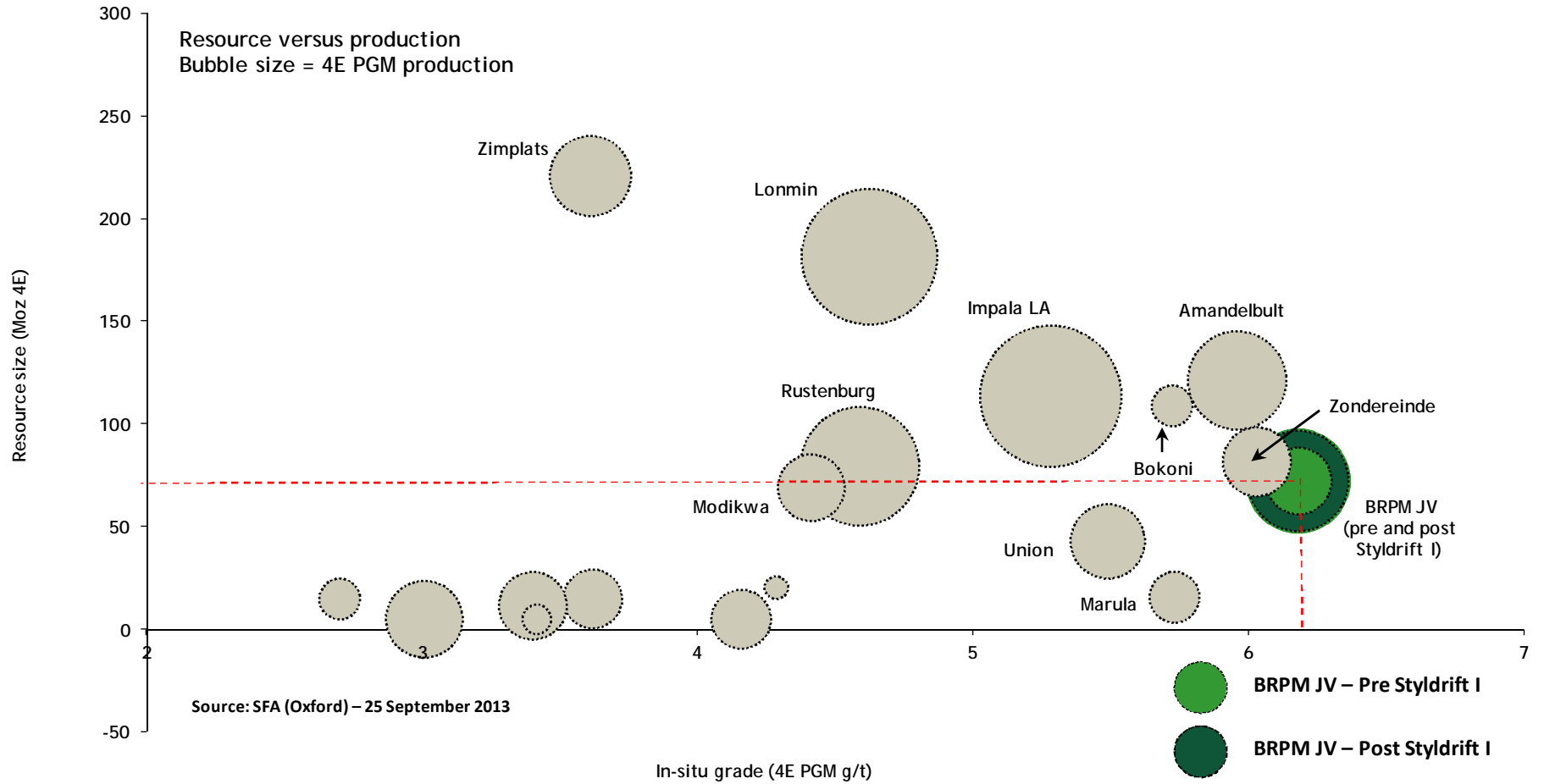
- > Black-owned and controlled, mid-tier PGMs producer
  - Compliant with and exceeds the 2014 BEE Mining Charter requirements
  - Community owned at 56.6% by Royal Bafokeng Nation (RBN)
  - Supportive and well capitalised shareholders
  - SLP projects aligned with development plans of RBN and local government
- > Prime location on Western Limb of Bushveld Complex, South Africa
  - Well-developed infrastructure
  - Ideally positioned for regional consolidation with neighbouring mines
- > 67% interest in Bafokeng Rasimone Platinum Mine (BRPM) unincorporated JV with Anglo American Platinum
  - BRPM JV total 4E resource base of 72.4Moz (57.6Moz, measured and indicated) - + 60 year life-of-mine
  - Shallow Merensky producer
  - Producing assets of ca. 280koz of 4E PGM concentrate per annum
  - R11.4 billion Styldrift I expansion project to more than double production by 2019
- > JSE listed: Market cap of ca. R10 billion - 26 September 2013 and constituent of the SRI Index

# Quality resource with attractive prill splits

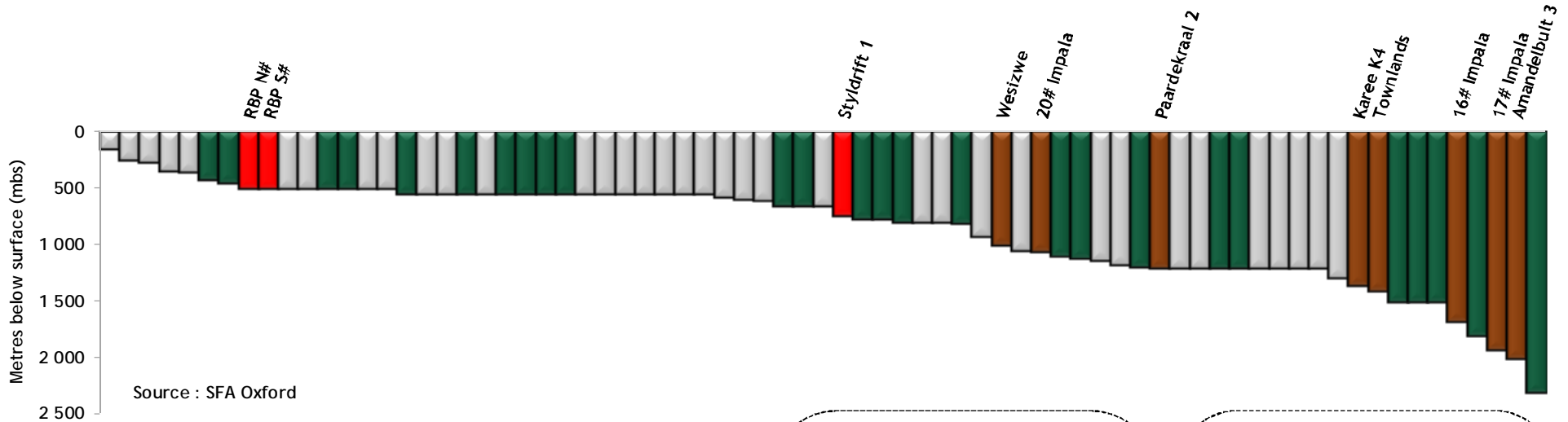
Description	100% Inclusive Resource			RBPlat 67%		
	Mt	4E g/t	4E Moz	Mt	4E g/t	4E Moz
<b>BRPM</b>						
Merensky						
Measured	14.96	7.58	3.64	10.02	7.58	2.44
Indicated	7.66	6.97	1.72	5.13	6.97	1.15
Inferred	7.81	8.03	2.02	5.23	8.03	1.35
<b>Merensky Total</b>	<b>30.42</b>	<b>7.54</b>	<b>7.38</b>	<b>20.38</b>	<b>7.54</b>	<b>4.94</b>
<b>UG2</b>						
Measured	43.91	5.40	7.62	29.42	5.40	5.11
Indicated	16.58	4.82	2.57	11.11	4.82	1.72
Inferred	10.73	4.66	1.61	7.19	4.66	1.08
<b>UG2 Total</b>	<b>71.22</b>	<b>5.15</b>	<b>11.80</b>	<b>47.72</b>	<b>5.15</b>	<b>7.91</b>
<b>Total BRPM</b>	<b>101.64</b>	<b>5.87</b>	<b>19.17</b>	<b>68.10</b>	<b>5.87</b>	<b>12.85</b>
<b>Styl drift</b>						
Merensky						
Measured	57.41	7.47	13.79	38.47	7.47	9.24
Indicated	51.06	6.98	11.47	34.21	6.98	7.68
Inferred	23.33	7.72	5.79	15.63	7.72	3.88
<b>Merensky Total</b>	<b>131.81</b>	<b>7.33</b>	<b>31.05</b>	<b>88.31</b>	<b>7.33</b>	<b>20.80</b>
<b>UG2</b>						
Measured	33.11	5.20	5.54	22.18	5.20	3.71
Indicated	66.98	5.21	11.23	44.88	5.21	7.52
Inferred	31.00	5.45	5.43	20.77	5.45	3.64
<b>UG2 Total</b>	<b>131.09</b>	<b>5.27</b>	<b>22.20</b>	<b>87.83</b>	<b>5.27</b>	<b>14.88</b>
<b>Total Styl drift</b>	<b>262.89</b>	<b>6.30</b>	<b>53.25</b>	<b>176.14</b>	<b>6.30</b>	<b>35.68</b>
<b>BRPM JV</b>						
Measured	149.39	6.37	30.59	100.09	6.37	20.50
Indicated	142.27	5.90	26.98	95.32	5.90	18.08
Inferred	72.87	6.34	14.85	48.82	6.34	9.95
<b>Total BRPM JV</b>	<b>364.54</b>	<b>6.18</b>	<b>72.42</b>	<b>244.24</b>	<b>6.18</b>	<b>48.52</b>



# Quality high-grade resource



# Long-term shallow depth mining



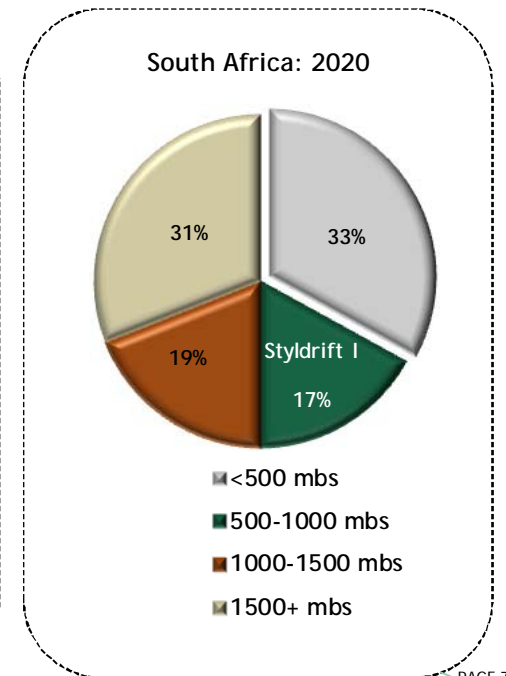
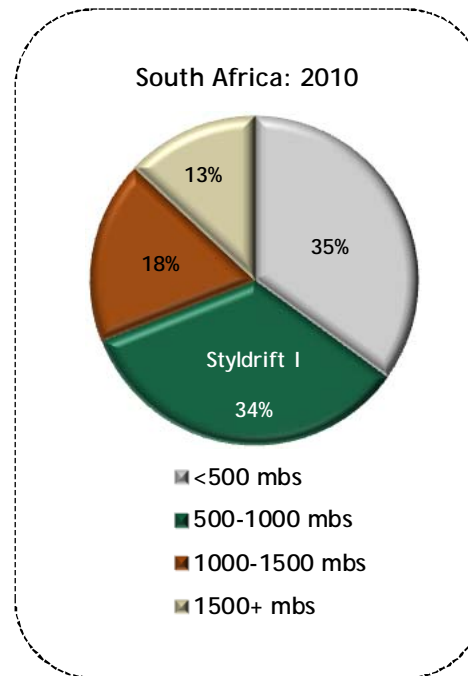
> RBPlat has high quality Merensky assets at shallow depth

- BRPM - 500m
- Styldriff I - 740m
- Industry new shafts average depth 1500m

> Trackless mechanised mining at Styldriff I

> High base metals contribution

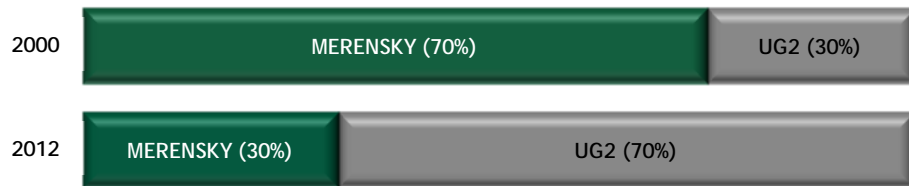
- Natural PGM hedge



# Long-term Merensky bias

## > Industry : 2000 vs 2012

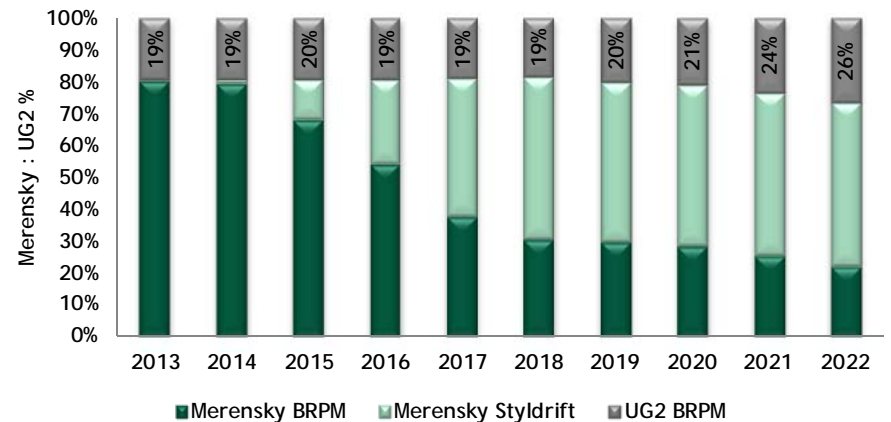
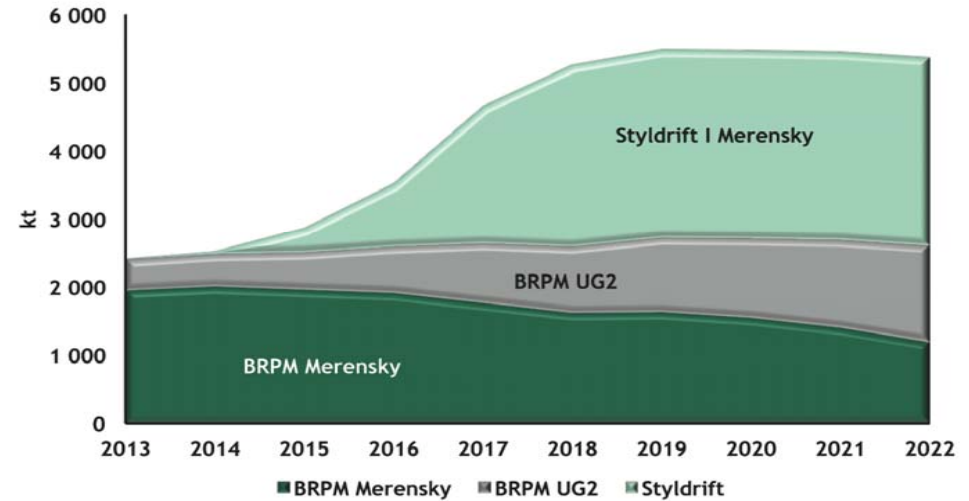
- Merensky resource depletion - contribution declined from 70% to 30%
- Average head grade reduced by  $\pm 40\%$
- Platinum production per employee reduced by  $\pm 40\%$



Source : Chamber of Mines – 21 January 2013, RSA PGM Mining Sector Briefing Note

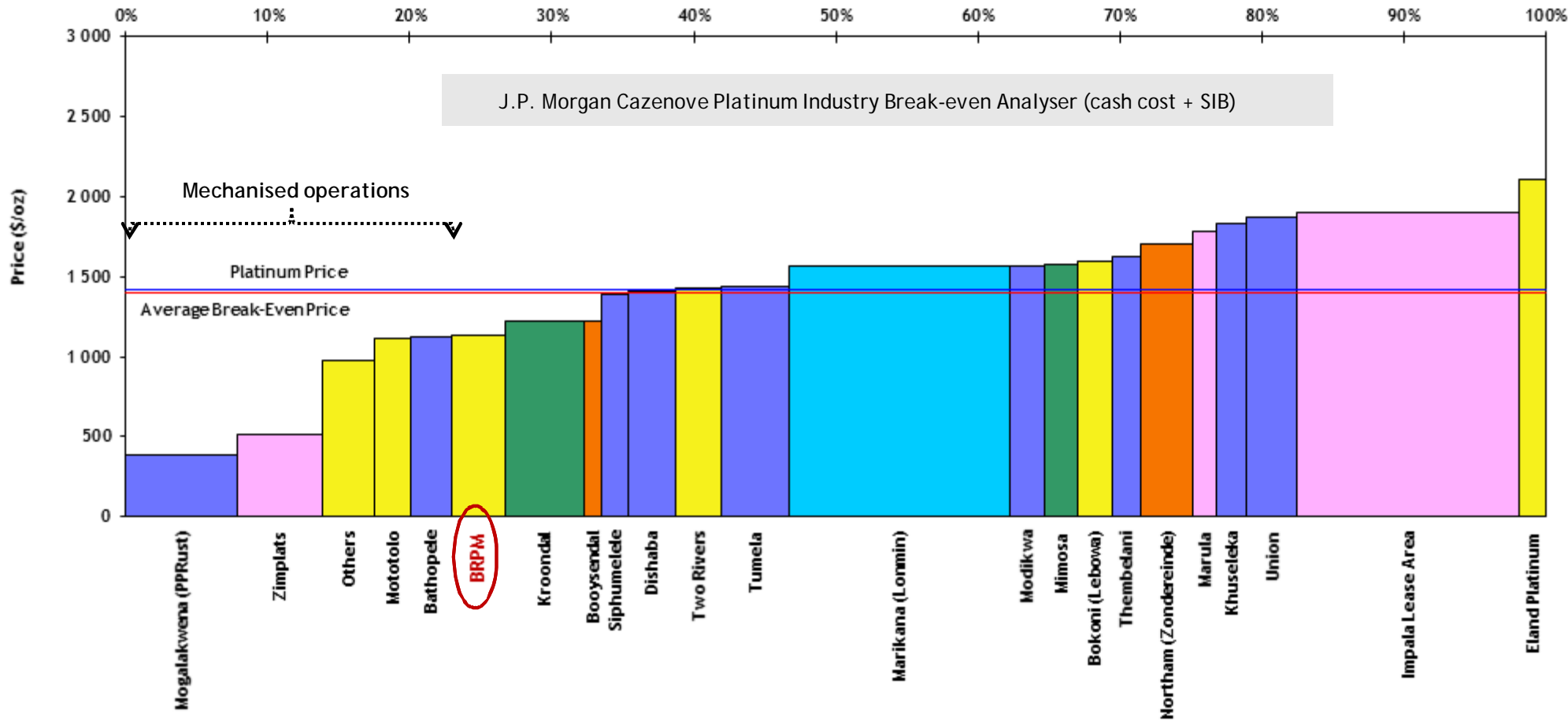
## > BRPM JV

- Long-term Merensky contribution > 75%
- High grade Merensky
- Pt:Pd ratio of 2.3:1
- High base metal revenue contribution
- Low cost mechanised mining - 50% of production from 2018





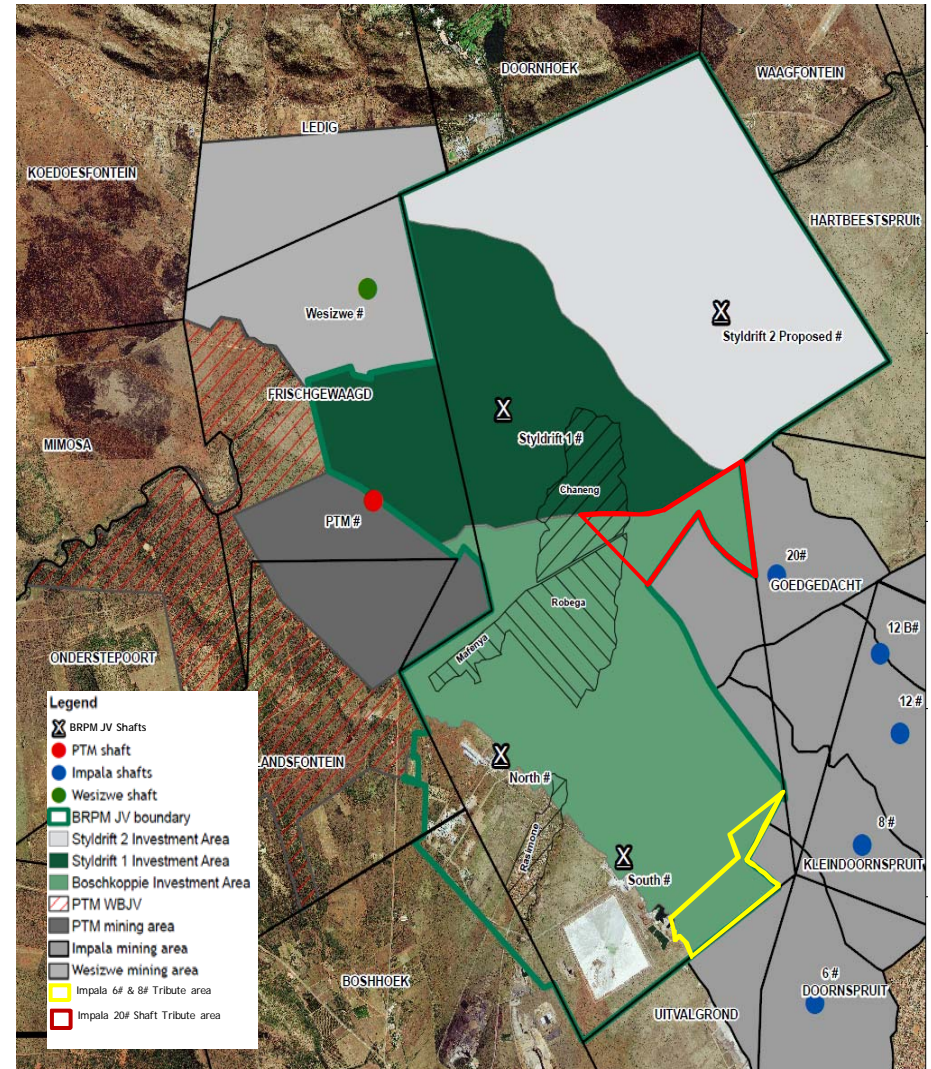
# Competitive position on the industry cost curve



Source: J.P. Morgan Cazenove - 25 September 2013

# Broad business strategy

- > Maximise existing assets
  - Operational flexibility
  - Cost management
  - Sustainability and continuity
- > Grow organically
  - Styldrift I - Steady state production 2019
  - Styldrift II - Complete study program by 2016
- > Opportunistically pursuing value-enhancing opportunities
  - 6#, 8# and 20# Impala royalty deals concluded
  - Co-operation and sharing of infrastructure with neighbouring mines
  - Will not do acquisitions at all costs
- > Return cash to shareholders
  - Will pay dividends before embarking on Styldrift II



# Our operations



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

### > 14 years of operation

- Well-understood, defined geology
- Well-established mining platform
- Experienced management team
- Full mining and concentrating infrastructure on BRPM site (200ktpm)

### > Shallow depth

- BRPM: twin decline shaft complex at 500m
- Styldrif I: new twin vertical shaft system at 740m
  - > Shallowest new shaft in industry
  - > Mean mining depth 661m

### > Future growth

- Styldrif I
  - > 2.8Mtpa
  - > 310koz 4E
- Styldrif II
  - > 2.4Mtpa - 2.8Mtpa

# RBPlat H1 2013 performance

Description	Units	2013	2012	Var	Var %
Fatal injuries	No	1	1	0	-
Safety - LTIFR	/200 000	0.61	0.67	0.06	8%
Safety - SIFR	/200 000	0.32	0.32	0.05	2%
Tonnes milled	kt	1 095	1 138	-43	-4%
Grade (4E)	g/t	4.28	4.04	0.24	6%
4E oz in concentrate	koz	130	129	1	1%
Total labour		7 368	8 501	1 113	13%
Working cost labour		5 984	6 744	760	11%
Capital labour		1 384	1 757	373	21%
Cash unit cost	R/t	917	851	-66	-7.8%
Cash unit cost	R/Pt oz	11 756	11 606	-150	-1.6%
Cash unit cost	R/4E oz	7 637	7 519	-118	-1.3%
Total capital	R'm	446	521	75	14%
Expansion	R'm	312	249	-63	-25%
Replacement	R'm	85	156	71	45%
SIB	R'm	49	116	67	58%
SIB%	%	5%	12%	7%	59%

## Safety

- LTIFR and SIFR improved by 8% and 2% respectively
- 2.0 million fatality-free shifts achieved 2nd April

## Production

- Milled tonnes decreased by 4%
- Built-up head grade improved by 6%
- 1% increase in 4E metals in concentrate produced

## Labour

- 11% reduction in working cost labour - review of organisational structures
- Capital labour in line with project requirements

## Operating costs

- 7.8% increase in R/tonne milled
- 1.6% increase in R/Pt oz

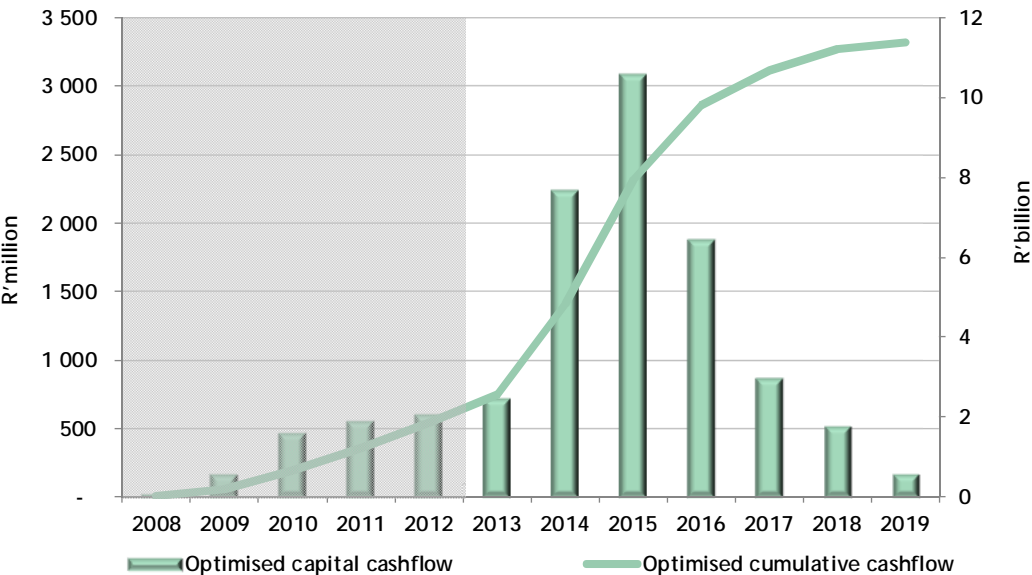
## Capital

- Capital expenditure inline with project execution
- Expansion and replacement projects on track and within budget

# Styldrift I Project progress

Description	Unit	Plan	Actual	Var
<b>Progress</b>				
Overall progress	%	31.2	32.2	1.0
Main shaft sinking	m	708	708	-
Service shaft sinking	m	642	642	-
<b>Expenditure</b>				
Project to date (PTD)	R'm	2 109	2 125	-16
Earned value	R'm	-	2 165	-
Project budget	R'm	11 386	-	-
Estimate at completion (EAC)	R'm	-	11 386	-
EAC Variance	R'm	-	416*	-

Styldrift capital cashflow



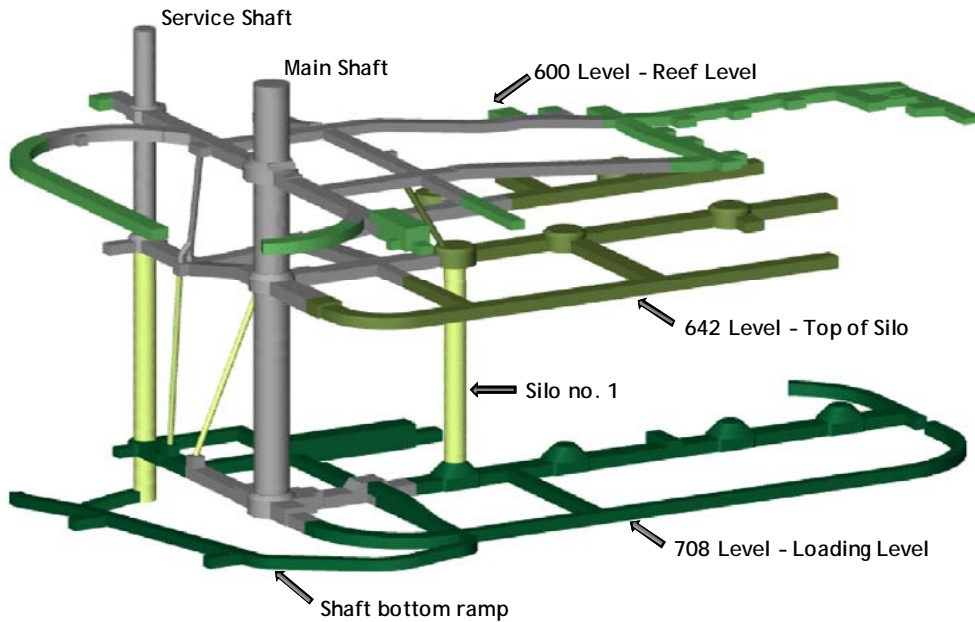
## Progress

- > Service shaft sink to 642 level
- > Main shaft sink to 708 level
- > 603m of lateral development completed in H1 2013 on 600, 642 and 708 levels
- > Surface workshops - complete
- > Rock winder commissioned
- > Main shaft steel work delivered

## Capital expenditure

- > Capital expenditure cash flow re-aligned with revised Optimisation schedule - 1st Jan 2013
- > Expenditure inline with current progress
- > EAC variance increased from R323 million to R416 million
- > Remain confident about saving at project completion

# Styldrift project progressing to plan



■ Progress PTD    ■ # Sinking and raise-boring H2-2013    ■ 600L Development H2-2013  
■ 642L Development H2-2013    ■ 708L Development H2-2013

## Key focus H2 2013

- > Service shaft sink to 708 Level
- > Lateral development - 1 746m
- > Shaft offices, changehouse and lamp house construction
- > Main stores infrastructure construction
- > Finalise optimal concentrating solution

Main shaft rock winder:



Station cutting: 708 level



# Styldrift concentrator options being investigated

- > RBPlat internal ore processing:
  - Standalone 230ktpm concentrator plant at Styldrift
  - Feasibility study completed in August 2013
  - Investigate upgrading the existing BRPM concentrator to accommodate Styldrift Merensky ore
  
- > Consolidated regional ore processing capacity:
  - Evaluate opportunities with established platinum mining companies
  - Studies presently at conceptual study phase
  - Studies predominantly related to:
    - > Logistics movement of ore from Styldrift
    - > Social and community impacts
    - > Environmental approvals
    - > Commercial terms
  
- > Joint concentrator option with neighbouring mine:
  - Concept study completed, feasibility study in progress
  - A capital and operating cost saving can be realised

Styldrift standalone concentrator



Ore transport via conveyor

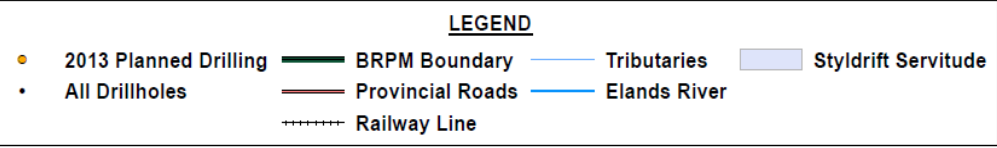
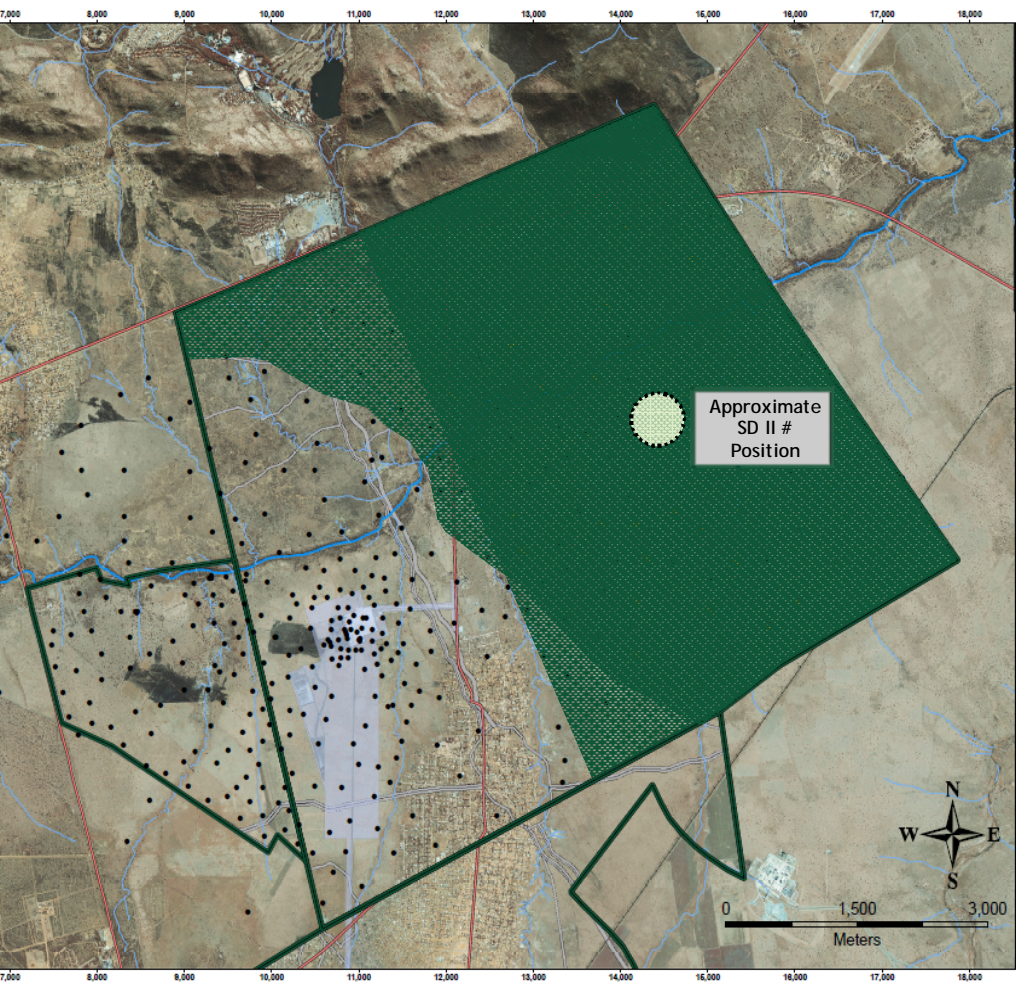


Ore transport via road train





# Styldrift II study work progressing well



## Key facts

- > Resource area ± 24 million m<sup>2</sup>
- > 40% of BRPM JV resource base
- > Average depth 1,150m @ ave. 9<sup>o</sup> dip
- > Underlain by the Swartklip Facies

## Studies

- > Concept study completed in May 2012
- > Pre-feasibility study in progress (completion Q4-2014)

## Pre-feasibility study focus

- > Primary access strategies and shaft location options
- > Production rate (200ktpm - 240ktpm)
- > Mining method selection
- > Synergies with neighbouring properties
- > Optimise resource boundary between SD I and SD II

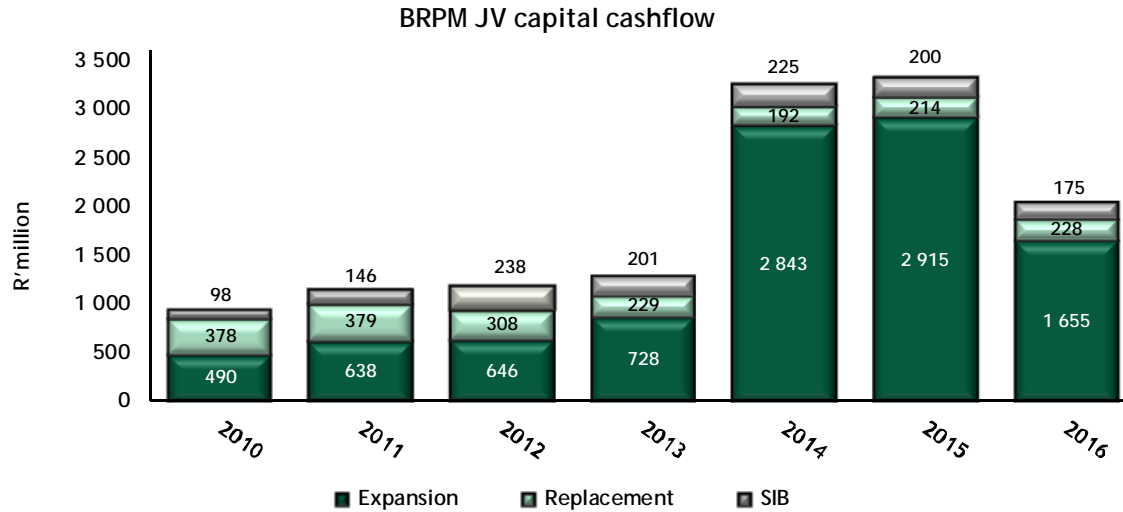
## Exploration drilling

- > 77 drillholes completed in SD II to date = 107,000m
- > 25 drillholes planned for 2013 = 25,000m
- > Improve resource confidence to meet feasibility study requirements

# Funding requirements



# Spending to grow



## Expansion capital

- > Styldrif I expenditure for 2013 is forecast at R728 million
- > R300 million BRPM plant upgrade deferred in 2012 to 2015\*
- \* Pending outcome of Styldrif concentrator option studies

## Replacement capital

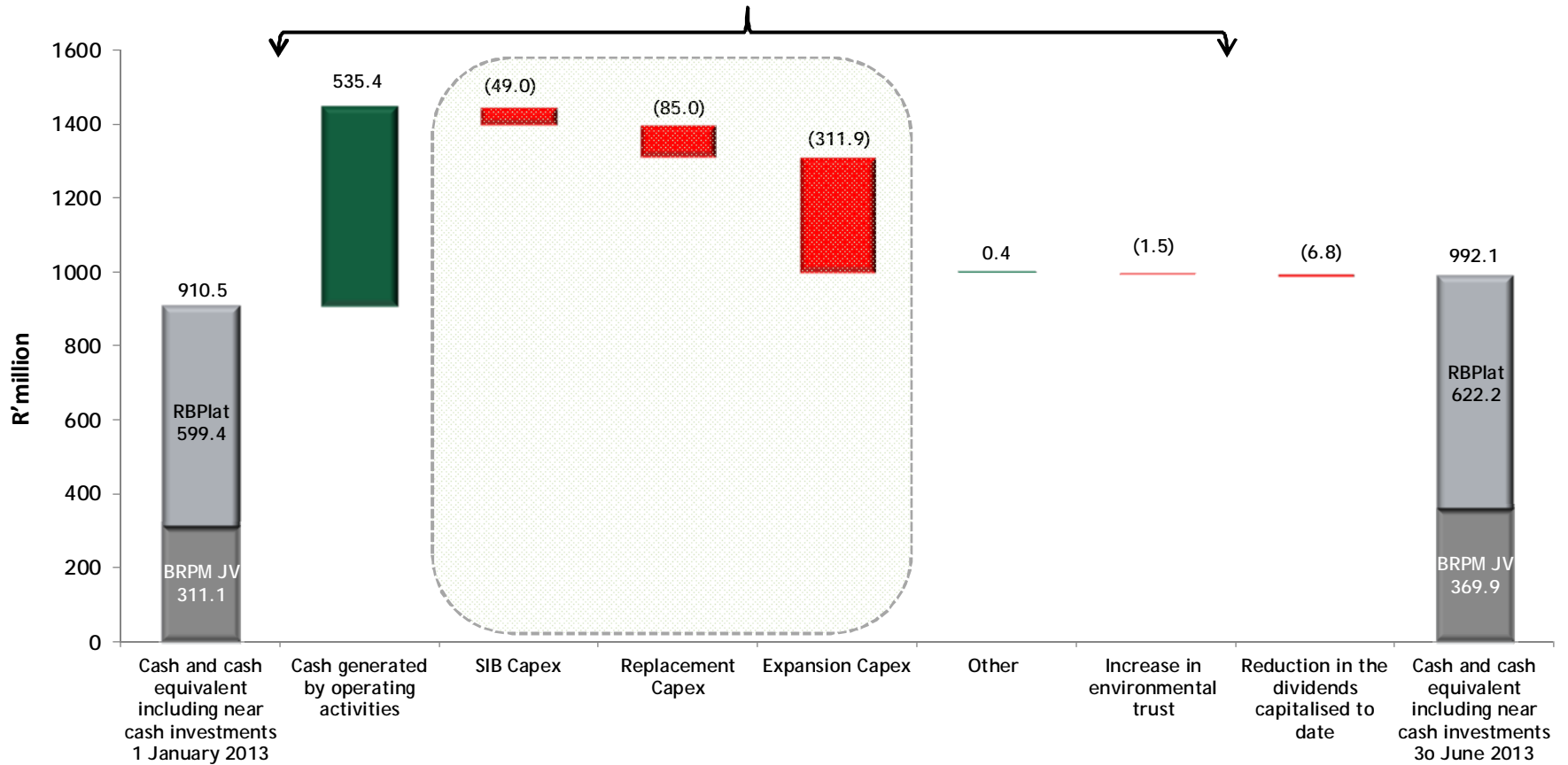
- > Phase II : Project complete, R110 million saving
- > Phase III : Expected to spend around R200 million in 2013

## SIB capital

- > Forecast SIB at 9% of operating cost for 2013-2014

# Strong cash flow generation

*Surplus cash flow of R88 million after all capital expenditure*



## Funding of Styldrifft I

- > R992.1 million cash on hand (BRPM JV R369 million - 67% attributable to RBPlat)
- > R1 billion unutilised Revolving Credit Facility
- > R458 million Working Capital Facilities
  - R152.5m utilised for Eskom, Rehab & Rental Guarantees
  - R200m utilised for Employee Housing Project
  - R105.5m unutilised
- > Therefore R2 billion of funding available to RBPlat
- > Capital raising in 2014/2015 when opportune

# Investment case



## A compelling investment

- > Long-term Merensky bias production
  - In excess of 60 years life-of-mine
- > Shallow mines, average mining depth
  - 400m at BRPM
  - 661m at Styldrift
- > Attractive margin operations with scope for cost reduction
- > Competitive position on industry cost curve
- > Focused stakeholder engagement with strong labour relations
  - 3 year wage agreement
  - R126.9 million social and labour plan expenditure in 2012
- > Styldrift I doubles Merensky production by 2019
- > Strong balance sheet (ungeared)
- > Cash generative operations

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