

### Quarterly review and production report for the period 1 January to 31 March 2014

We are grateful to our workforce and all other role players for their commitment and dedication to ensure that, notwithstanding the widespread instability in our industry, RBPlat has been able to continue producing during the first three months of the year and to deliver a satisfactory safety performance at Styldrift with the project remaining on schedule and within budget.

#### KEY FEATURES

- No fatal injuries
- SFIR and LTIFR of 0.49 and 0.69 respectively
- Stable labour environment
- Production throughput impacted on by safety stoppages
  - 6% decrease in 4E metals in concentrate produced
  - 14% reduction in milled tonnes
  - 9% improvement in built-up head grade
- 8.6% increase in operating cash cost per platinum ounce
- Expansion and replacement projects remain on track and within budget

Description	Unit	Unaudited quarter ended 31 March 2014	Unaudited quarter ended 31 March 2013	Quarter ended March 2014 vs. quarter ended March 2013 % change**
<b>Safety</b>				
SIFR (/200 000 hrs)	rate	0.49	0.36	(38)
LTIFR (/200 000 hrs)	rate	0.69	0.56	(23)
<b>Production</b>				
Tonnes delivered to concentrators	kt	498	555	(10)
Tonnes delivered from BRPM	kt	486	536	(9)
Tonnes delivered from Styldrift	kt	12	18	(33)
Total tonnes milled	kt	478	554	(14)
% UG2 of total tonnes milled	%	19.5%	17.9%	(9)
4E built-up head grade	g/t	4.57	4.19	9
4E built-up head grade - Mer	g/t	4.77	4.31	11
4E built-up head grade - UG2	g/t	3.72	3.63	3
Metals in concentrate produced				
4E	koz	61.0	64.9	(6)
Platinum	koz	39.3	42.0	(6)
Palladium	koz	16.4	17.2	(5)
Rhodium	koz	3.4	3.6	(6)
Gold	koz	1.9	2.1	(7)
Nickel	kt	0.392	0.399	(2)
Copper	kt	0.245	0.258	(5)
<b>Cash operating costs</b>				
Cash operating costs	R'm	514	491	(4.5)
Cash operating cost / tonne milled*	R/t	1 078	915	(17.9)
Cash operating cost / 4E oz M&C*	R/oz	8 281	7 671	(8.0)
Cash operating cost / Pt oz M&C*	R/oz	12 853	11 841	(8.6)
<b>Capital expenses</b>				
Total capital	R'm	306.4	203.0	(51)
Expansion	R'm	249.7	144.9	(72)
Replacement	R'm	32.5	37.8	14
SIB capital	R'm	24.3	20.2	(20)
SIB / cash operating cost %	%	4.8%	4.1%	(17)

\* Unit cash costs are calculated excluding the incidental tonnages, ounces and costs generated by Styldrift I on-reef development

\*\* Please note that any difference in percentage change in this table is due to rounding

## **SAFETY**

Following a sustained period of consistent safety improvements, BRPM mine started the year with an unusually high safety incident rate and recorded 7 serious injuries in January. Corrective action taken resulted in a significant improvement in February and a serious injury free month in March. Styldrift I reported no serious or lost time injuries during the quarter and it has now been fatality-free for the past three financial years.

Zero harm remains one of RBPlat's primary and most important goal and is key to achieving the Company's strategic objective of operational excellence.

## **PRODUCTION**

Total tonnes delivered to concentrators were 10% lower than in the first quarter of 2013. Key contributing factors to the reduced volumes included a slow start in January 2014 after the December break compounded by the safety stoppages during the month. Section 54 related stoppages accounted for production losses of 35 416 tonnes compared with 19 654 tonnes for the first quarter of 2013.

4E ounces-in-concentrate declined by 6% compared to the first quarter of 2013. This was attributable to:

- 14% lower volumes treated as a result of the lower tonnages being delivered to concentrators
- a 9% increase in the 4E built-up head grade which resulted from:
  - a plant clean-up following the scheduled Christmas break; and
  - adjustments for ounces delivered to Anglo American Platinum in the last quarter of 2013

The built-up head grade is expected to return to the levels of around 4.25 to 4.30 g/t 4E for the remainder of 2014.

Production in April 2014 has thus far been encouraging and the Company is expecting an improved operational performance for the remainder of the year.

## **CASH OPERATING COSTS**

Cash operating cost per platinum ounce produced increased by 8.6% to R12 853 when compared to the first quarter of 2013 with the key contributing factors being:

- 6.4% less platinum produced as a result of lower milling volumes offset by higher grades; and
- an increase in BRPM cash operating costs of 2.2% to R502 million

The cash cost per tonne milled increased by 17.9% to R1 078 compared with the corresponding quarter in 2013 due to the lower production tonnages delivered during January and February 2014.

Managing cost increases to below mining inflation rates remains a key focus area for the Company.

## **CAPITAL**

Capital expenditure was 51% higher at R306.4 million compared with the first quarter of 2013. Expansion capital expenditure increased by 72% to R249.7 million in line with the acceleration in the Styldrift I construction schedule. Replacement capital expenditure reduced by 14% to R32.5 million due to mining related savings on the Phase III decline extension project. Stay-in-business capital expenditure increased by 20% to R24.3 million and remains within our target range of between 6% and 8% of operating costs.

## **PROJECTS**

### **Styldrift I project (expansion)**

To date sinking at the Main shaft has progressed to a depth of 708m (708L) and the Services shaft to 723m (shaft bottom). The key focus of work on the project is the remaining lateral development on 708L required in order to recommence sinking the Main shaft to its final depth of 758m below collar. Overall lateral development in 2014 is progressing ahead of schedule, with 527m achieved during the quarter against a planned 425m.

Capital expenditure for the quarter was R242.40 million which is in line with the progress made. Total expenditure for the project in the 2014 financial year is forecast at R 1.908 billion as planned (including the concentrator project, contingencies and escalation). At the end of the quarter under review the project-to-date commitment was R3.611 billion and expenditure to date of R2.753 billion.

The project is 44.67% complete, which is 1.61% ahead of the cumulative plan of 43.06%.

### **BRPM phase III project (replacement)**

The Phase III project extends the North shaft Merensky decline system and associated infrastructure from 10 level to the mining boundary at 15 level which will extend the life of Merensky at North shaft.

The overall project is 61% complete, which is 6% ahead of schedule. The project remains below budget, with expenditure for the quarter of R32.46 million and R617.79 million for the project to date.

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

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