

Notice of annual general meeting

Royal Bafokeng Platinum Limited
Incorporated in the Republic of South Africa
Registration number: 2008/015696/06
JSE share code: RBP and ISIN: ZAE000149936
Date of incorporation: 1 July 2008
(RBPlat or the Company)

This document is important and requires your immediate attention.

If you are in any doubt as to what action to take, please consult your stockbroker, Central Securities Depository Participant (CSDP), banker, attorney, accountant or other professional advisor immediately.

If you have disposed of all your shares in the Company please forward this document, together with the enclosed form of proxy, to the purchaser of such shares or the broker, banker or other agent through whom you disposed of such shares.

Notice is hereby given that the fourth annual general meeting (AGM) of the Company will be held on **Wednesday, 17 April 2013 at 10:00** in the Castello room at the Palazzo Hotel, Monte Casino Boulevard, Fourways. Shareholders' attention is drawn to the notes at the end of this notice, which contain important information with regard to shareholders' participation in the AGM, as well as certain explanatory notes regarding the resolutions to be proposed at the AGM.

Kindly note that in terms of Section 63(1) of the Companies Act No 71 of 2008 (the Act), meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Forms of identification that will be accepted include original and valid identity documents, driver's licence and passports.

Record date, proxies and voting

The Board of directors of the Company (the Board) has determined, in accordance with Section 59 (1) (a) and (b) of the Act, that the record date for holders to be recorded as shareholders in the securities register maintained by the transfer secretaries of the Company in order to be able to attend, participate and vote at the AGM is Friday, 12 April 2013. The last date to trade to be able to attend, participate and vote at the AGM is Friday, 5 April 2013.

Electronic participation

The Company, if required, will offer shareholders reasonable access to attend the AGM through electronic conference call facilities, in accordance with the provision of the Act. Shareholders wishing to utilise these facilities are required to deliver written notice to the Company at The Pivot, No 1 Monte Casino Boulevard, Block C, Floor 4, Fourways, 2021 (marked for the attention of Lester Jooste, Company Secretary) by no later than 10:00 on Wednesday, 10 April 2013 advising that they wish to participate in the AGM via electronic medium. The valid notice must be accompanied by a certified copy of the shareholder's identity document, driver's licence or passport, in respect of an individual and if not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents, driver's licence and/or passports of the people who adopted the resolution will be required. Voting on shares will not be possible via electronic medium and, accordingly, shareholders wishing to cast their vote at the AGM will need to be represented in person or by proxy at the meeting.

The purpose of the AGM is to deal with such business as may be lawfully dealt with at the meeting, and, in particular, if deemed fit, to pass the resolutions contained herein, with or without modification, in a manner required by the Act and the Listings Requirements of the JSE Limited (JSE Listings Requirements) on which the Company's ordinary shares are listed:

Ordinary resolutions

1. Ordinary resolution number 1

Adoption of the audited consolidated annual financial statements for the year ended 31 December 2012

"Resolved that the audited consolidated annual financial statements of the Company and its subsidiaries together with the reports of the directors, auditors and Audit and Risk and Social and Ethics committees for the year ended 31 December 2012, be and are hereby adopted."

The full financial statements of the Company relating to the financial year ended 31 December 2012 can be obtained from the Company's website at www.bafokengplatinum.co.za.

2. Ordinary resolution number 2

"Resolved that Mr RG Mills, who was appointed to the Board on 20 September 2010, and who retires by rotation and being eligible is hereby re-elected as an independent non-executive director of the Company."

3. Ordinary resolution number 3

"Resolved that Prof FW Petersen, who was appointed as a director on 1 June 2010 and who retires by rotation and being eligible is hereby re-elected as an independent non-executive director of the Company."

4. Ordinary resolution number 4

"Resolved that Mr NJ Muller, who was appointed as a director on 2 March 2009 and who retires by rotation and being eligible is hereby re-elected as an executive director of the Company."

5. Ordinary resolution number 5

"Resolved that Mr MJL Prinsloo, who was appointed as a director on 1 March 2009 and who retires by rotation and being eligible is hereby re-elected as an executive director of the Company."

6. Ordinary resolution number 6

Reappointment of auditors

"Resolved that upon the recommendation of the Audit and Risk Committee of the Board, PricewaterhouseCoopers Inc. (PwC) be and is hereby appointed as the independent external auditor of the Company until the next AGM and that Mr Andries Rossouw of PwC be and is hereby appointed as the designated auditor to hold office for the ensuing year."

7. Ordinary resolution number 7

Election of Audit and Risk Committee member

"Resolved that upon the recommendation of the Remuneration and Nomination Committee of the Board, Prof L de Beer as an independent non-executive director be and is hereby re-elected as a member and the Chairman of the Audit and Risk Committee, in terms Section 94(2) of the Act, to hold office until the conclusion of the next AGM."

8. Ordinary resolution number 8

Election of Audit and Risk Committee member

"Resolved that upon the recommendation of the Remuneration and Nomination Committee of the Board and subject to ordinary resolution number 2 being passed, Mr RG Mills as an independent non-executive director be and is hereby re-elected as a member of the Audit and Risk Committee, in terms of Section 94(2) of the Act, to hold office until the conclusion of the next AGM."

9. Ordinary resolution number 9

Election of Audit and Risk Committee member

"Resolved that upon the recommendation of the Remuneration and Nomination Committee of the Board, Mr DC Noko an independent non-executive director be and is hereby re-elected as a member of the Audit and Risk Committee, in terms of Section 94(2) of the Act, to hold office until the conclusion of the next AGM."

10. Ordinary resolution number 10

Election of Audit and Risk Committee member

"Resolved that upon the recommendation of the Remuneration and Nomination Committee of the Board and subject to ordinary resolution number 3 being passed, Prof FW Petersen as an independent non-executive director be and is hereby re-elected as a member of the Audit and Risk Committee, in terms of Section 94(2) of the Act, to hold office until the conclusion of the next AGM."

11. Ordinary resolution number 11

Election of Audit and Risk Committee member

"Resolved that upon the recommendation of the Remuneration and Nomination Committee of the Board, Ms MJ Vuso an independent non-executive director be and is hereby elected as a member of the Audit and Risk Committee, in terms of Section 94(2) of the Act, to hold office until the conclusion of the next AGM."

12. Ordinary resolution number 12

General authority for directors to allot and issue ordinary shares

"Resolved that directors of the Company be and are hereby authorised, until the earlier of the date of the next AGM of the Company or the date 15 (fifteen) months from the date of this AGM, to allot and issue ordinary shares (including options and securities convertible into shares) representing not more than 5% (five percent) of the number of ordinary shares in issue as at the date of this AGM (being 8 277 403 ordinary shares) from the authorised but unissued ordinary share capital of the Company, on such terms and conditions as the Board may, at its discretion determine, subject to the limitations and provisions of the Memorandum of Incorporation of the Company (the MOI), the Act and the JSE Listings Requirements, as applicable from time to time."

13. Ordinary resolution number 13

General authority to issue shares for cash

"Resolved, as a separate authority from that referred to in ordinary resolution number 12, that the directors of the Company be and are hereby authorised, until the earlier of the date of the next AGM of the Company or the date 15 (fifteen) months from the date of this meeting, to allot and issue ordinary shares (including options and securities convertible into ordinary shares) (equity securities) representing not more than 10% (ten percent) of the number of ordinary shares in issue as at the date of this AGM (being 16 554 806 ordinary shares) from the authorised but unissued shares in the capital of the Company for cash, subject to the MOI, the Act, and the JSE Listings Requirements, as applicable from time to time. It is recorded that the JSE Listing Requirements currently require, *inter alia*, that any issue by a listed company of equity securities for cash must comply with the following requirements:

- (a) the allotment and issue of equity securities for cash shall be made only to persons qualifying as public shareholders as defined in the JSE Listings Requirements and not to related parties;
- (b) equity securities which are the subject of issues for cash:
 - i. in the aggregate in any one financial year may not exceed 15% (fifteen percent) of the Company's current number of equity securities in issue of that class (which, for the purposes of this ordinary resolution number 13, will be limited to 10% (ten percent));

Notice of annual general meeting (continued)

- ii. of a particular class, will be aggregated with any securities that are compulsorily convertible into securities of that class, and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible;
 - iii. the number of securities which may be issued (the limit referred to in sub-paragraph (b)(i) above) shall be based on the number of securities of that class in issue added to those that may be issued in future (arising from the conversion of options/convertible securities) at the date of such application, less any securities of the class issued, or to be issued in future arising from options/convertible securities issued, during the current financial year plus any securities of that class to be issued pursuant to (A) a rights issue which has been announced, is irrevocable and is fully underwritten or (B) acquisition (which has had final terms announced) may be included as though they were securities in issue at the date of application;
- (c) the maximum discount at which equity securities may be issued is 10% (ten percent) of the weighted average traded price on the JSE Limited of such equity securities over the 30 (thirty) business days prior to the date that the price of the issue is determined or agreed by the directors of the Company;
- (d) after the Company has issued equity securities for cash which represent, on a cumulative basis within a financial year, 5% (five percent) or more of the number of equity securities of that class in issue prior to that issue, the Company shall publish an announcement containing full details of the issue, including number of securities to be issued as well as the average discount to the weighted average traded price of the equity securities over the 30 business days prior to the date that the issue is agreed in writing between the issuer and the party/ies subscribing for the securities and the effect of the issue on the net asset value and earnings per share of the Company; and
- (e) the equity securities which are the subject of the issue for cash are of a class already in issue or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue."

14. Ordinary resolution number 14

Approval of remuneration policy

Resolved that the remuneration policy of the Company be and is hereby approved through a non-binding advisory vote (excluding the remuneration of non-executive directors which is to be approved separately) such Remuneration policy as set out in the integrated annual report on pages 118 to 119."

15. Ordinary resolution number 15

RBPlat Share Plan 2013

"Resolved that the new share plan of the Company, the draft rules of which will be tabled at the AGM and initialled by the Chair of the AGM for purposes of identification, be and is hereby approved."

The salient features of the executive share plan are set out in the explanatory note on pages 188 to 189.

16. Ordinary resolution number 16

Scheme shares

"Resolved that the maximum number of ordinary shares which may be allocated and issued in respect of which shares or options may be granted to employees of the Company, under its employee share and other incentive schemes (being the IPO scheme, the share option scheme, the bonus share plan, the Mahube Share Trust and, if ordinary resolution number 15 is approved, the 2013 Share Plan) be increased in aggregate to 9 932 884 (which, if all issued as at the current date and taking into account the fact that a number of these shares have already been issued, would constitute 6% of the total issued share capital of the Company) and the directors be and are hereby authorised to allot, issue and/or grant options in respect of such shares (to the extent that they have not done so already under previous authorities) to its employees in accordance with the rules of such schemes."

Further details regarding this resolution are set out in the explanatory note following the notice to shareholders on page 189.

Special resolutions

17. Special resolution number 1

Adoption of new Memorandum of Incorporation

"Resolved that the Company adopt a new memorandum of incorporation (MOI), which MOI has been initialled by the Chairman of the AGM for purposes of identification."

The salient features of the new MOI are summarised in annexure A to this notice to shareholders on pages 191 to 194.

A copy of the new MOI may be found on the Company's website, www.bafokengplatinum.co.za, together with a copy of the current memorandum of association and articles of association.

18. Special resolution number 2

General authority to repurchase shares

"Resolved that the directors of the Company be and are hereby authorised, until the earlier of the date of the next AGM of the Company or the date 15 (fifteen) months from the date of this AGM, by way of a general authority to repurchase issued shares in the share capital of the Company or to authorise a subsidiary company to purchase such shares in the Company, at such price and on such terms as the directors may from time to time determine subject to the MOI, the Act and the JSE Listings Requirements, as applicable from time to time, and subject further to the restriction that the repurchase or purchase, as the case may be, by the Company and/or any of its subsidiaries of shares in the Company of any class under this authority shall not, in aggregate, in any financial year, exceed 5% (five percent) of the shares in issue in such class as at the date of the AGM."

It is recorded that the JSE Listings Requirements and the Act currently require, *inter alia*, that the Company or any of its subsidiaries may only make a general repurchase of the ordinary shares in the Company if:

- (a) any such acquisition of ordinary shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement with the counterparty (reported trades are prohibited);
- (b) this general authority shall be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution number 2;
- (c) an announcement must be published as soon as the Company or any of its subsidiaries have repurchased or acquired the relevant ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue and for each 3% in aggregate of the initial number acquired thereafter, in compliance with paragraph 11.27 of the JSE Listings Requirements;
- (d) acquisitions of shares by the Company or a subsidiary of the Company in aggregate in any one financial year may not exceed 20% of the Company's ordinary issued share capital; and that the number of shares purchased and held by a subsidiary/(ies) of the Company shall not exceed 10% in the aggregate of the number of issued shares of the Company at the relevant times;
- (e) ordinary shares may not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE as determined over the 5 (five) business days immediately preceding the date of repurchase of such ordinary shares;
- (f) at any point in time, the Company and/or its subsidiaries may only appoint one agent to effect any repurchase;
- (g) the Company and/or its subsidiaries may not enter the market to repurchase the Company's ordinary shares until the Company's sponsor has provided written confirmation to the JSE regarding the adequacy of the Company's working capital in accordance with Schedule 25 of the JSE Listings Requirements;
- (h) a company and/or its subsidiaries may not repurchase any ordinary shares during a prohibited period, as defined in the JSE Listings Requirements, unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over the Stock Exchange News Service (SENS) prior to the commencement of the prohibited period;
- (i) in the case of a derivative (as contemplated in the JSE Listings Requirements), the price of the derivative shall be subject to the limitations set out in paragraph 5.84(a) of the JSE Listings Requirements;
- (j) a resolution of the Board of directors of the relevant company and/or its subsidiaries must be passed stating that they authorised the repurchase, that the Company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Company and/or its subsidiaries; and
- (k) authorisation being given thereto by the MOI.

Statement by the Board of directors of the Company

The Board, pursuant to the JSE Listings Requirements, hereby states that:

- (a) they have no specific intention at present for the Company or its subsidiaries to repurchase any of the shares of the Company as contemplated in this special resolution number 2 but consider that such a general authority should be put in place should an opportunity present itself to do so during the year, which is in the best interests of the Company and its shareholders; and
- (b) having considered the effect of the maximum repurchase possible under this resolution, if approved, they are of the opinion that for a period of 12 (twelve) months after the date of this notice:
 - > the Company and/or its subsidiaries (the Group) will be able, in the ordinary course of business, to pay their debts
 - > the assets of the Company and the Group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the Company and the Group
 - > the Company and the Group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes
 - > the working capital of the Company and the Group will be adequate for the ordinary business.

JSE Listings Requirements disclosures

The directors, whose names are set out on pages 108 to 109 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 2 and certify that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement false or misleading, and that they have made all reasonable enquiries in this regard, and that this resolution contains all information required by law and the JSE Listings Requirements.

In terms of section 11.26 of the JSE Listings Requirements, the directors, whose names are given on pages 108 to 109 of this integrated annual report of which this notice forms part, are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, which may have, or have had a material impact on the Group's financial position over the recent past, being at least the previous 12 (twelve) months.

The following additional information, some of which may appear elsewhere in the integrated annual report of which this notice forms part, is provided in terms of section 11.26 of the JSE Listings Requirements for purposes of the general authority contemplated above:

- > Directors and management – pages 108 to 109
- > Major beneficial shareholders – page 180
- > Directors' interests in shares – page 133
- > Share capital of the Company – page 158

Notice of annual general meeting (continued)

Other than the facts and developments reported on in the integrated annual report, there have been no material changes to the financial or trading position of the Company and its subsidiaries since 31 December 2011 and the issuing of this notice to shareholders.

This authority includes an authority, by special resolution, to repurchase shares from a director or prescribed officer of the Company through the JSE order book, as required under Section 48(8)(a) of the Act.

19. Special resolution number 3

Non-executive directors' fees

"Resolved as a special resolution that in terms of Section 66(9) of the Act, the level of non-executive directors' annual fees be and is hereby approved on the basis set out as follows:

Per annum	2013	2012
	R	R
Board Chairman (all inclusive fee)	1 269 730	1 269 730
Board member	250 745	250 745
Audit and Risk Committee Chairman	189 926	189 926
Audit and Risk Committee member	99 675	99 675
Remuneration and Nomination Committee Chairmen	128 040	128 040
Remuneration and Nomination Committee member	96 030	96 030
Social and Ethics Committee Chairman	129 600	129 600
Social and Ethics Committee member	97 200	97 200

In addition to the above fees, a director will receive a fee of R15 000 per day for ad hoc meetings attended where services of a specialised nature requiring specific skills are required."

Voting and proxies

All ordinary resolutions will, in terms of the Companies Act, require the support of more than 50% of the voting rights of shareholders exercised thereon to be approved, in terms of the JSE Listings Requirements, in order for ordinary resolutions numbers 13, 15 and 16 to be approved, at least 75% of the votes cast by all equity securities holders present or represented by proxy at the AGM is required in terms of the JSE Listings Requirements.

All special resolutions will, in terms of the Companies Act, require the support of at least 75% of the total voting rights exercised thereon at the AGM to be approved.

Ordinary shareholders are entitled to attend, speak and vote at the AGM or may appoint a proxy to attend, speak and vote in their stead. Shareholders holding dematerialised shares not in their own name must furnish their CSDP or broker with their instructions for voting at the AGM should they wish to vote. If your CSDP or broker, does not obtain instructions from you, it will be obliged to act in terms of the mandate signed or the completed proxy form attached.

Unless you advise your CSDP or broker before the expiry date of your intention to attend the AGM or to appoint a proxy to do so the CSDP or broker will assume that you or your proxy will not be attending the AGM. If you wish to attend the AGM or to appoint a proxy to do so you must obtain a letter of representation signed by your CSDP or broker prior to the AGM.

Shareholders with dematerialised shares in their own name, or who hold shares that are not dematerialised, and who are not able to attend the AGM and wish to have representation at the meeting must complete and submit to the transfer secretaries, the form of proxy attached in accordance with the instructions contained therein by no later than 10:00 on Monday, 15 April 2013. The completion of the form will not preclude the shareholder from subsequently attending the AGM.

Questions

The Board encourages shareholders to attend and to ask questions at the AGM. In order to facilitate the answering of questions at the meeting, shareholders who ask questions in advance are encouraged to submit their questions in writing to the Company Secretary by 17:00 on 15 April 2013.

By order of the Board of directors



LC Jooste

Company Secretary

Registered office

The Pivot, No 1 Monte Casino Boulevard
Block C, 4th Floor, Fourways, Johannesburg, 2021
PO Box 2283, Fourways, 2055
South Africa, 2001

Transfer secretaries

Computershare Investor Services Proprietary Limited
70 Marshall Street, Johannesburg, South Africa, 2001
PO Box 61051
Marshalltown, 2017

Explanatory notes

1. Adoption of the annual financial statements (Ordinary resolution number 1)

At the AGM, the directors must, in terms of the MOI, the Act and the JSE Listings Requirements, present to shareholders the annual financial statements for the year ended 31 December 2012.

2. Election and re-election of directors (Ordinary resolution numbers 2 to 5)

In accordance with the MOI, and the JSE Listings Requirements, one-third of the directors (being those longest in office at the date of the AGM) must retire by rotation and directors appointed by the Board during the year must at each AGM offer themselves for re-election and election, respectively.

A brief biography of the directors offering themselves for re-election is contained on pages 108 and 109 of the integrated annual report and the Company's website. The Board with the assistance of the Remuneration and Nomination Committee has reviewed the composition and performance of the Board of directors in accordance with corporate governance guidelines and transformation requirements and has recommended the re-election of the directors offering themselves for re-election.

3. Reappointment of the independent external auditor (Ordinary resolution number 6)

PricewaterhouseCoopers Inc (PwC) have agreed to continue in office and as such the reappointment of PwC has been endorsed and is recommended by the Board in terms of the Company's MOI and the Act.

The Audit and Risk Committee of the Company has assessed the performance and independence of the external auditors and is satisfied that no governance guidelines have been breached and that the provisions of the Act have been complied with. A non-audit service policy is in place to ensure the independence of the external auditor is maintained.

4. Election of Audit and Risk Committee members (Ordinary resolution numbers 7 to 11)

In terms of the Act, shareholders of a public company must elect the members of an audit committee at each AGM. The Nomination Committee has, in accordance with the recommendations and provisions of the King Code and Report on Governance for South Africa (King III), satisfied itself that the independent non-executive directors offering themselves for election as members of the Company's Audit and Risk Committee:

- > are independent non-executive directors as contemplated in King III, the Act and the JSE Listings Requirements
- > are suitably qualified and experienced
- > have an understanding of integrated annual reporting (including financial reporting), internal financial controls, external and internal audit processes, risk management, sustainability issues and the governance processes (including information technology governance) within the Company
- > collectively possess skills which are appropriate to the Company's size and circumstances, as well as its industry
- > have an understanding of International Financial Reporting Standards, South African Statements of Generally Accepted Accounting Practice and other financial and sustainability reporting standards, regulations and guidelines applicable to the Company
- > adequately keep up to date with key developments affecting their required skills set

For further details regarding the Audit and Risk Committee, please refer to page 116 of this integrated annual report.

5. Control of unissued shares (Ordinary resolution number 12)

In terms of the MOI, the shareholders have to authorise the directors to, *inter alia*, issue any unissued ordinary shares and/or grant options over them. The existing authorities granted by the shareholders at the previous AGM held on 3 April 2012 expire at the AGM to be held on Wednesday, 17 April 2013, unless renewed. The authorities will be subject to the Act and the JSE Listings Requirements.

6. Issue of shares for cash (Ordinary resolution number 13)

In terms of the JSE Listings Requirements, a general authority for the directors to issue shares for cash requires shareholder approval. The directors also require approval in terms of the MOI to issue shares for cash on a non pro-rata basis. The existing authority granted by the shareholders at the previous AGM held on 3 April 2012 expires at the AGM to be held on Wednesday, 17 April 2013, unless renewed.

The Board has decided to seek renewal of this authority in accordance with best practice. The directors have no current plans to exercise this authority, but wish to ensure that by having it in place, the Company will have the flexibility to take advantage of any business opportunity that may arise in future. The authority will be subject to the Act and the JSE Listings Requirements.

7. Approval of remuneration policy (Ordinary resolution number 14)

In terms of the King III recommendations, shareholders should annually, through a non-binding advisory vote, endorse the Company's remuneration policy at the annual general meeting allowing shareholders to express their views on the remuneration policies adopted and the implementation thereof.

8. Approval of RBPlat Share Plan 2013 (Ordinary resolution number 15)

The purpose of the RBPlat Share Plan 2013 (the Plan) is to put in place a restricted share plan for the Company (Group) to more appropriately reward and retain employees in senior roles in the Company in line with Company and individual performance.

The principal terms of the Plan are as set out below. The Plan complies with the requirements of Section 97 of the Act. A copy of the rules of the Plan will be tabled at the AGM and is available for inspection during normal business hours at the Company's registered office or on the Company website (www.bafokengplatinum.co.za).

Notice of annual general meeting (continued)

Summary of the principal terms of the Share Plan

Introduction

The Board of directors of the Company is recommending to shareholders a new share-based incentive plan for the Company employees in senior roles. This plan will be known as The Royal Bafokeng Platinum Share Plan (the Plan).

The Remuneration Committee has followed an extensive process to consider the type, number of schemes and benchmark long-term incentive (LTI) participation offered by our peer group. The Plan will create a more appropriate platform for long-term incentives, which will supplement the current schemes, where allocation was only done on joining the Group in the case of the share option scheme. These schemes do not have future performance conditions and create disparity amongst levels of executive participation.

The purpose of the Plan is to drive a longer-term focus on Group and business unit results, and to retain key employees in leadership and critical skill roles. It also provides alignment with shareholders in that long-term value creation is incentivised through settlement of these awards in shares.

Furthermore, another objective of the Plan is to enable participants to acquire fully paid shares, in the manner and on the terms and conditions set out in the scheme rules, subject to meeting certain vesting and performance conditions to be established by the Board.

The Plan is recommended to shareholders for the following reasons:

- > to incentivise performance and execution of the Company's strategic plans
- > to help attract and retain talented employees
- > to create alignment with shareholder interests
- > to focus on sustained growth for shareholders.

The Plan has been prepared in accordance with Schedule 14 of the JSE Listings Requirements. The key features and salient terms of the Plan are set out below.

The Royal Bafokeng Platinum Share Plan

The Board, through the Remuneration and Nomination Committee (Remco) is to ensure the administration and participation of the Plan in terms of the rules of the scheme. Scheme shares will be allocated from the authorised but unissued shares of the Company or purchased on market to satisfy the requirements of the Plan, subject to the approval of ordinary resolution number 15 by shareholders. The scheme shall hold one share in the capital of the Company for each share that may ultimately be transferred to participants in terms of the scheme rules.

Plan and individual limits

The maximum number of shares that may be acquired by all participants in terms of the Plan, together with any other plan adopted by the Company is 9 932 884 and any one participant cannot acquire in excess of 1 655 481 shares under the Plan. This number of shares equates to 6% and 1% of the issued share capital of the Company, respectively, as at 31 March 2013. The aforesaid numbers of shares will be increased or decrease proportionality on a subdivision or consolidation of shares in the capital of the Company. The aforesaid adjustments may only be made to the rights of a participant, if such adjustments give a participant entitlement to the same portion of equity capital as that to which he was previously entitled prior to the adjustments.

Eligibility

Any employee of the Group selected by Remco may participate in the Plan. In respect of the Plan, Remco will consider *inter alia* the following in determining who should participate and to what extent, namely: the seniority of the employee within the Group, the job function of the employee, the role, skill and/or ability of the employee to influence the Group's strategy or share price of the Group and the strategic position of the employee to influence the Company over the medium to long term.

Method of participation

Awards under the Plan are made when Remco determines it to be appropriate, but will normally be made once in a financial year.

Under the Plan, participants are awarded shares that vest over 36, 48 and 60 months after the award date selected by Remco in respect of an award at a rate of one third at a time. Remco will always, at the time of making awards under the Plan impose performance criteria on vesting. The awards will be made on an expected value based on the Total Guaranteed Package (TGP) of the Participant. This ensures that the level of participation achieves internal equity and is appropriately benchmarked.

The expected value will also be benchmarked, to ensure that the level of participation is aligned to the approved remuneration policy. Where the participant has other incentive participation, such as under the option scheme and bonus share scheme, the allocation towards participation under this scheme will be reduced, to ensure equal on-target LTI for all Participants. This ensures that total LTI participation under this and other LTI schemes never exceed the award values approved by the Remco and Board.

The number of scheme shares that are to vest will be adjusted downwards if the performance criteria are not met. The performance targets will be stretch targets and determined by the Board to create direct alignment with the shareholder expectations and the Company strategy.

Unvested shares will be held by the Company in escrow or issued only upon the vesting and the performance criteria as set by the Board being met. However, any distributions on shares (other than special distributions, in terms of which provisions relating to adjustment shall apply) will vest in and be paid to participants who hold such scheme shares.

If the employment of a participant terminates as a result of a no fault termination (for example, as a result of illness, dismissal for operational requirements, the undertaking of which he is a part ceasing to be part of the Group etc.) his scheme shares will continue to vest over time as if he had not ceased to be an employee and on the assumption that all performance criteria imposed on vesting had been met. However any Company performance conditions imposed on the vesting of the third tranche of performance shares will continue to apply unaffected by such no fault termination. If an employee dies the vesting of scheme shares is accelerated and his heirs or executors will receive all such shares on the assumption that all performance criteria and company performance conditions had been satisfied. If the employment of a participant with any member of the Group terminates for any reason other than those stipulated above, the participant shall be deemed to have forfeited, any and all scheme shares to which he would otherwise have been entitled.

General provisions applicable to the Plan

No consideration shall be payable by the participant to receive an award or on the vesting of such award.

Scheme shares shall not have their votes at general or annual general meetings of the Company taken into account for the purposes of resolutions proposed in terms of the Listings Requirements. Such shares shall also not be taken into account for purposes of determining categorisations as detailed in Section 9 of the Listings Requirements.

Adjustments may be made to the rights of participants to take account of any special distributions made by the Company or if the Company undertakes or undergoes a rights offer, a bonus or capitalisation issue or reduction of capital. Adjustments must be determined to be fair and reasonable to participants by Remco and the Company's auditors. The auditors must confirm this fact to the JSE. In the event of a change in control of the Company, Remco may vary vesting dates and/or the number of scheme shares to vest or determine that scheme shares be substituted by benefits in terms of another scheme or plan to place the participant in the same position he was prior to the change of control.

Awards will not be granted during a closed period.

All taxes attributable to participation in the Plan are for the account of participants.

A summary of Plan activities in respect of shares must be reported in the annual financial statements of the Group in the year during which the activities are undertaken.

Scheme shares may only be sold:

- > once the employment of a Participant has been terminated or a Participant is deceased or
- > on behalf of a Participant, after the Vesting Date in respect thereof or
- > on termination of this Plan.

In addition, a participant is entitled to nominate a family trust or company to accept an award and/or hold shares on such participant's behalf.

Amendments to certain significant elements of the Plan are subject to shareholder approval by a 75% majority. These significant elements are as follows:

- > Eligibility
- > Plan and individual limits
- > The amount (if any) payable by the participant on acceptance of the award
- > The voting, dividend, transfer and other rights attaching to shares
- > Basis upon which awards are made
- > The treatment of participants in instances of mergers, takeovers and corporate actions
- > The rights of participants on termination of employment
- > The basis for determining a participant's entitlement
- > The provisions regulating the amendment of the Plan
- > Variations of the Company's share capital.

9. Share capital to be utilised for share schemes (Ordinary resolution number 16)

As previously approved by shareholders the following individual scheme limits were in place in respect of any allocations under the current share schemes:

- > 750 000 ordinary shares in respect of the IPO scheme (of which 417 416 have been issued);
- > 3 000 000 ordinary shares in respect of the share option scheme (which limit has been reached and any share options issued over and above the limit had been issued subject to shareholders approval of ordinary resolution number 16);
- > 3 250 000 in respect of the bonus share plan (of which 888 938 have been issued);
- > 650 000 ordinary shares in respect of the Mahube Trust (of which 563 914 have been issued); and in respect of which no further share allocations are intended.

The maximum number of ordinary shares which currently may be issued in terms of the existing schemes is accordingly 7 650 000 (5 166 254 of which have already been issued). The Company wishes to increase the number of shares which may be issued in terms of the above schemes (and presuming that ordinary resolution number 15 is adopted, the Plan) to a total of 9 932 884 ordinary shares, and to allow the Company the flexibility to allocate such additional number of shares to such of the schemes as they deem fit.

If all the scheme shares were issued, the issued shares would constitute 6% of the total issued share capital of the Company (presuming that there were no other issues of shares and taking into account the shares that have already been issued).

In terms of the JSE Listings Requirements, any increase in the number of shares which may be issued under a company's employee share or incentive schemes must be approved by at least 75% of the votes cast by all equity securities holders present or represented by proxy at the AGM.

Notice of annual general meeting (continued)

10. Memorandum of Incorporation (Special resolution number 1)

The Act came into effect on 1 May 2011. In terms of the Transitional Arrangements set out in Schedule 5 to the Act, companies were given a two-year period until 30 April 2013 to bring their memorandum and articles of association in harmony with the Act. During this two-year period, if there is a conflict between the provision of the Act and a provision of the Company's memorandum and articles of association, the latter prevails. After this two-year period, any provision of the memorandum and articles of association that is inconsistent with the provisions of the Act shall be void and unenforceable to the extent of the inconsistency. Accordingly, the Company wishes to adopt a new MOI which is consistent with the Act.

The approach that was followed in drafting the MOI was to keep the MOI simple and let the provisions of the Act govern the Company's affairs, save for those specific instances where there was a need to alter an alterable provision of the Act, or where an alteration was required by the JSE Listings Requirements. The Company believes that it is unnecessary and undesirable to repeat, in the MOI, the provisions of the Act that would apply to a company unless the provision is intended to alter an alterable provision or impose a higher standard than an alterable provision.

11. General authority to purchase shares (Special resolution number 2)

The effect of special resolution number 2 and the reason therefor is to grant the Company or any of its subsidiaries a general approval in terms of the MOI, the Act and the JSE Listings Requirements, to acquire the Company's shares, which general approval shall be valid until the earlier of such next AGM of the Company or its variation or revocation of such general authority by special resolution at any subsequent general meeting of the Company, provided that the general authority shall not extend beyond 15 (fifteen) months from the date of this AGM.

The directors are of the opinion that it would be in the best interests of the Company to approve this general authority and thereby allow the Company or any of its subsidiaries to be in a position to repurchase the securities issued by the Company through the order book of the JSE, should the market conditions, tax dispensation and price justify such an action.

12. Directors' fees (Special resolution number 3)

In terms of King III and the Act, the shareholders of the Company are required to approve by special resolution the fees to be paid to non-executive directors.

The Board believes that the proposed fees payable to non-executive directors (which are the same as the fees approved by shareholders last year) are competitive and will enable the Company to retain and attract persons of the calibre required to make a meaningful contribution to the Company, having regard to the appropriate capability, skills and experience required. The Board, on recommendation of the Remuneration and Nomination Committee, recommends to shareholders that these fees be approved.