



MORE THAN MINING

ROYAL BAFOKENG PLATINUM

# FACT SHEET





## OUR VISION

- > To seek and deliver the good from mining

## OUR MISSION

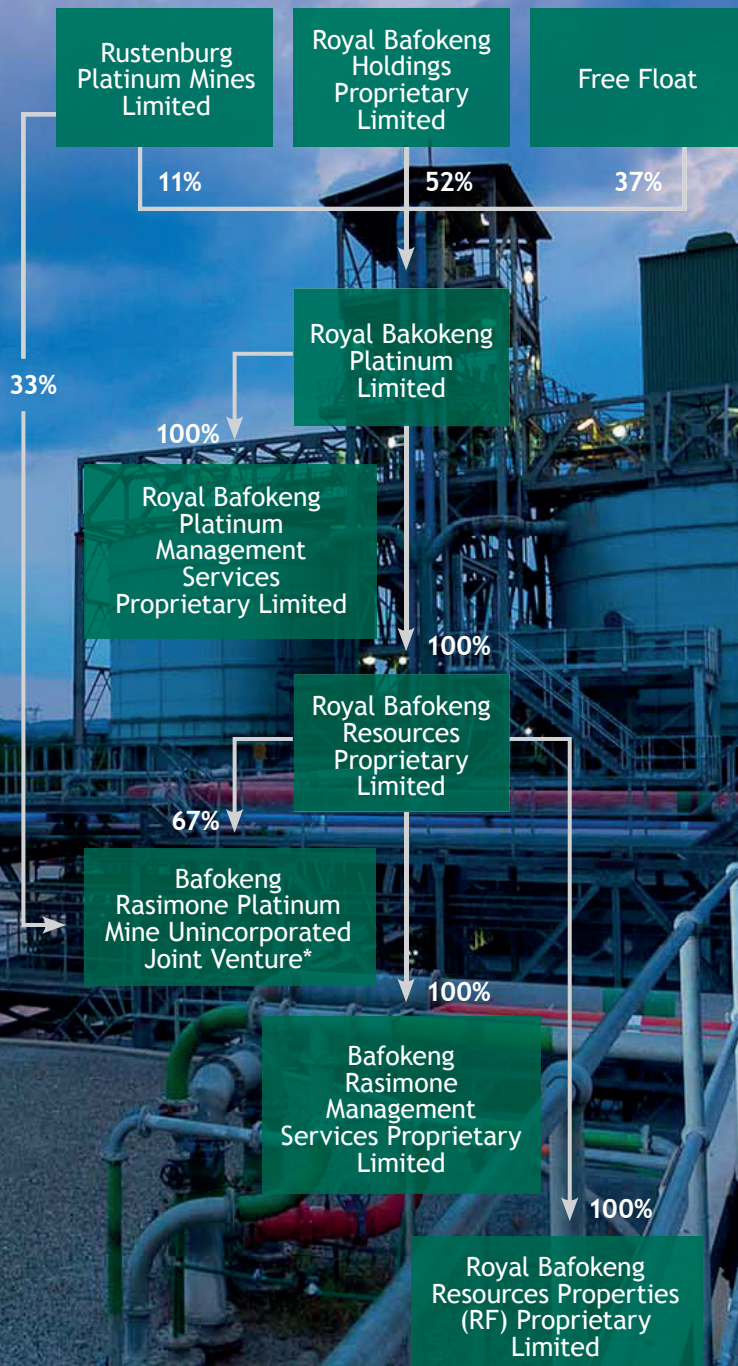
- > To leave a lasting legacy of sustainable benefits for our stakeholders

## OUR PURPOSE

- > To create economic value for all our stakeholders



# AN INTRODUCTION TO RBPLAT



## OWNERSHIP

- > RBPlat is a JSE-listed, 52% black owned mid-tier PGMs producer originating from a joint venture between Anglo American Platinum through its wholly owned subsidiary Rustenburg Platinum Mines Limited and Royal Bafokeng Holdings known as the Bafokeng Rasimone Platinum Mine Joint Venture (BRPM JV)
- > Through a restructuring, RBPlat obtained a 67% majority interest in the JV and took over operational control in January 2010
- > The BRPM JV's operations are located in the North West province of South Africa, 120 kilometres from Johannesburg and 30 kilometres from the city of Rustenburg
- > RBPlat is the first and only community owned company to list on the JSE
- > RBPlat mines PGMs in the Merensky and UG2 reefs on the Boschkoppie, Styldrift and Frischgewaagd farms in the Rustenburg area, which have been identified as hosting the last undeveloped Merensky reef on the Western limb of the Bushveld Complex
- > **RBPlat's assets are the only significant shallow high-grade Merensky resources and reserves still available for mining in South Africa.**

# VALUE CREATION

## DRIVEN BY A SIMPLE, EFFECTIVE AND ACHIEVABLE STRATEGY

The four pillars of our strategy have been in place since we took over operational control of the BRPM JV in 2010. Every year the Board and the Executive Committee review our strategy and the key material issues that need to be addressed if we are to achieve our strategic objectives.

- > We measure our achievements in terms of our four strategic pillars by annually setting key financial and non-financial performance indicators
- > We continually measure our performance against these indicators

We identified the following key issues that we need to address in our quest to achieve operational excellence:

- > Achieve zero harm
- > Optimise volumes
- > Reduce unit costs
- > Labour stability
- > Community stability
- > Meet Mining Charter commitments

Seek out possible synergies with our neighbours and other potential partners in the platinum industry:

- > Royalty agreements with Impala Platinum
- > Mergers and acquisitions



We believe that building flexibility into our business will increase its sustainability and support productivity improvements. We have identified three key issues that will provide this flexibility in the short, medium and long term:

- > Maintaining our target immediately stopable reserves (IMS) panel ratio
- > Leveraging the flexibility our UG2 mining provides
- > Additional processing capacity

We believe that by growing organically and using cash flows from existing operations to fund growth, we will be able to use our existing resources to the benefit of all our stakeholders. We will achieve this strategic objective by:

- > Completing Styldrift I
- > Continuing to investigate the feasibility of Styldrift II



# ROBUST AND FLEXIBLE OPERATIONS

## Positioned for long-term growth



- > Low-risk growth:  $\pm 70\%$  increase in production by 2020 subject to market conditions
- > RBPlat's assets are the only significant shallow high-grade Merensky resources and reserves still available for mining on the Western limb of the Bushveld Complex in South Africa
- > Inclusive mineral resources of 46.70Moz (4E), 23.25Moz measured, 15.29Moz indicated and 8.16Moz inferred
- >  $\pm 60$  years life of mine
- > Competitive position on the industry cost curve

## Operational flexibility



- > Shallow long-life Merensky-biased with UG2 mining
- > IMS panel ratio of 1.5
- > Modular approach to processing our PGMs
- > Toll treatment facilities for UG2 ore

## Organic growth through Styldrift I



- > High margin mechanised operation
- > Sufficient concentrator capacity to process 150ktpm from Styldrift I
- > Will increase production to 350ktpm by 2020 subject to market conditions

## A decisive and experienced management team

### Prudent financial management



- > Successful cash preservation strategy supporting organic growth
- > Protected business stability through capex deferral in response to unfavourable market conditions
- > Focus on cost management
- > Strong balance sheet

### Flexible and rapid responders



- > Ability to respond rapidly and reschedule and restructure operational activities. This allows us to maximise business value by aligning operational activities with prevailing market conditions

## Corporate governance and risk management

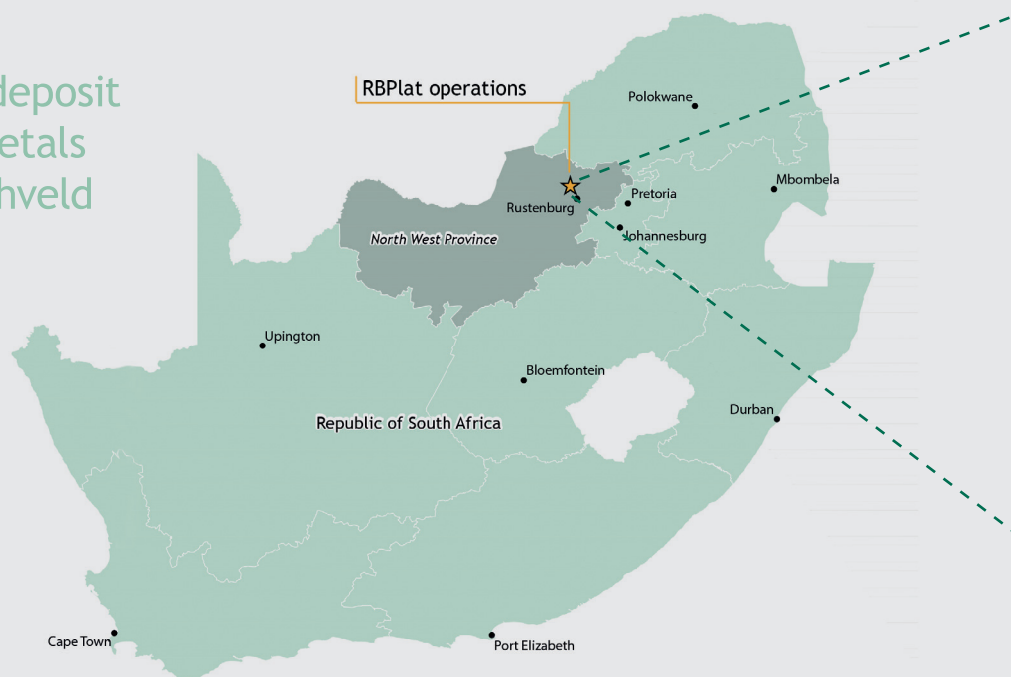


- > Our Board is committed to providing ethical leadership and maintaining an ethical culture in RBPlat and ensures that our code of ethics as well as fraud and corruption policy are applied throughout the organisation
- > Enterprise risk management framework applied across our business
- > We met and exceeded the requirements of the 2010 – 2014 Mining Charter scorecard and continue to apply its final year targets
- > Broad-based ownership structure provides stability, certainty and sustainability in terms of revised Mining Charter black economic empowerment requirements
- > We comply with the JSE Listings Requirements and all relevant laws and regulations



# OUR OPERATIONS AND PROJECTS

The world's largest deposit of platinum group metals is located in the Bushveld Igneous Complex of South Africa.

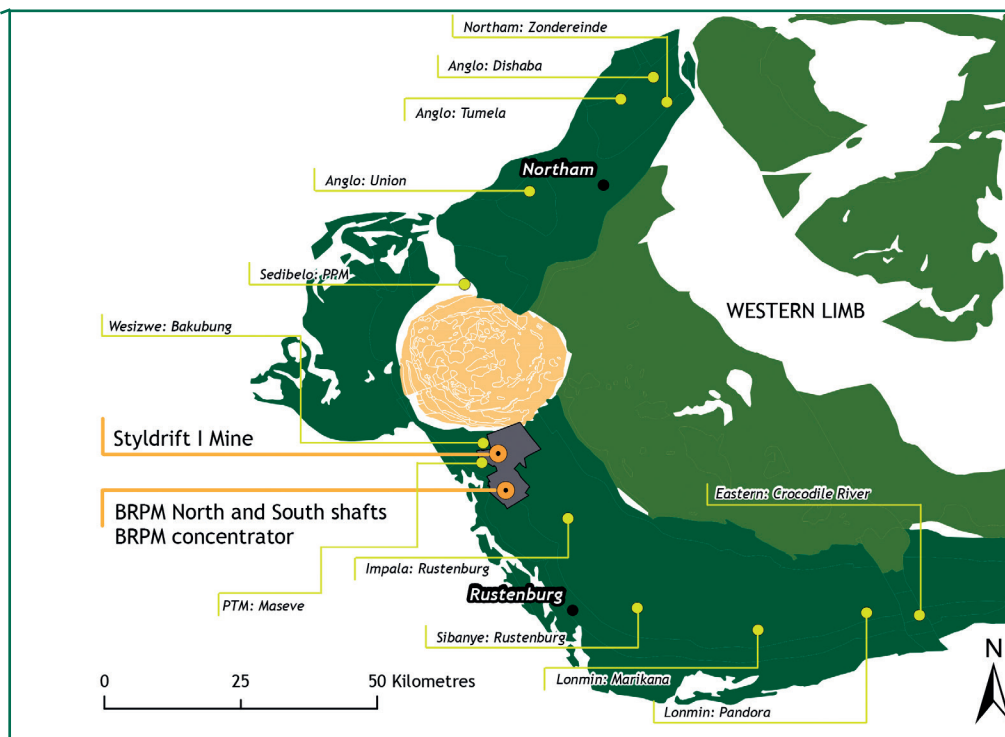


RBPlat has operated the BRPM JV since 4 January 2010 with Merensky and UG2 resources and reserves on the farms Boschkoppie 104JQ, Styldrift 90 JQ and specific portions of Frischgewaagd 96JQ. Our operations consist of BRPM, which consists of North and South shafts, the Styldrift I project and the BRPM Concentrator complex. We have also completed a pre-feasibility on our Styldrift II exploration project to the east of our current Styldrift I project. The capacity of the BRPM Concentrator has been upgraded to accommodate production from the Styldrift Mine. The first phase of the expansion has increased the concentrator's capacity to 250 000 tonnes a month from 200 000 tonnes a month.

## North shaft Phase III replacement project

This project involves the extension of the North shaft Merensky decline system and associated infrastructure from 10 level down to the mining boundary at 15 level. The new Merensky production levels from 11 to 15 level will give access to 1.4 million Merensky Ounces (4E) using a hybrid mining method. At the end of 2016 the project was 94% complete with all capital development complete and only the 14 and 15 level construction-related scope, which was deferred to 2017, outstanding. The project remains below budget, with expenditure for 2016 amounting to R44 million and R1 036 million for the project to date. The deferment will have no impact on the mine extraction plan as project completion remains aligned with the revised project milestone dates.





## Styldrift I expansion project

Styldrift I, which is an underground mechanised mine, lies about 5km from the North shaft of BRPM and has one of the last known blocks of shallow Merensky reef deposits on the Western limb of the Bushveld Complex.

In the latter half of 2015 the RBPlat Board made a strategic decision to align construction activities at Styldrift I with the material reduction in PGM prices. A revised mining and construction plan was put in place, which was executed during 2016. Towards the latter half of 2016, the progress made at Styldrift I, as well as the rand basket price improvements, allowed RBPlat to commit to the next phase of expansion at Styldrift I, which will ramp-up the mine to 150ktpm (Phase I) at an

additional capital cost of R4.75 billion by the end of 2018. This expansion phase provides for all the key underground infrastructure required to meet a 230ktpm production level (Phase II). At steady state the Styldrift mine will produce 230 000 tonnes a month, increasing RBPlat's production to 350 000 tonnes a month.

## Styldrift II exploration

Styldrift II lies to the east of Styldrift I and represents 40% of RBPlat's overall resource. In view of the prevailing macro-economic climate further study work has however been deferred for the foreseeable future.



# OUR MINERAL RESOURCES AND RESERVES

## RBPlat attributable resources (67%)

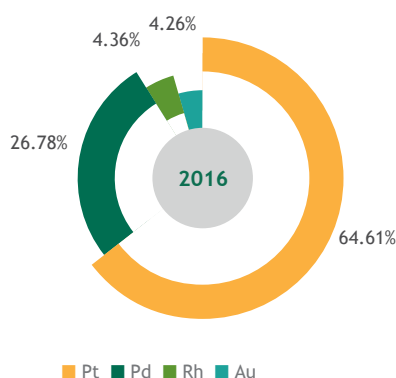
Reef Type	Resource Classification	Mt	4E (g/t)	4E Moz
Merensky	Measured	51.91	7.50	12.52
	Indicated	32.30	6.95	7.22
	Inferred	19.62	7.70	4.86
	<b>Total</b>	<b>103.83</b>	<b>7.37</b>	<b>24.60</b>
UG2	Measured	63.99	5.22	10.73
	Indicated	50.35	4.99	8.07
	Inferred	20.62	4.98	3.30
	<b>Total</b>	<b>134.96</b>	<b>5.09</b>	<b>22.10</b>
All reef types	Measured	115.90	6.24	23.25
	Indicated	82.65	5.75	15.29
	Inferred	40.24	6.30	8.16
	<b>Total RBPlat</b>	<b>238.79</b>	<b>6.08</b>	<b>46.70</b>

## RBPlat attributable reserves (67%)

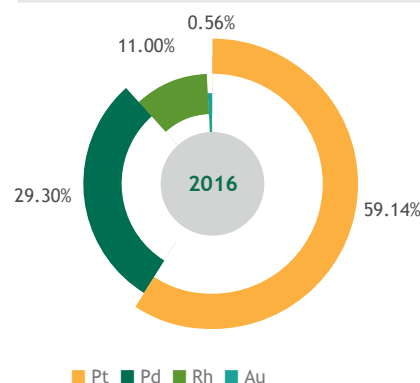
Reef Type	Reserve Classification	Mt	4E (g/t)	4E Moz
Merensky	Proved	38.11	4.63	5.67
	Probable	12.98	4.16	1.74
	<b>Total</b>	<b>51.10</b>	<b>4.51</b>	<b>7.41</b>
UG2	Proved	28.32	4.01	3.65
	Probable	6.73	3.28	0.71
	<b>Total</b>	<b>35.05</b>	<b>3.87</b>	<b>4.36</b>
All reef types	Proved	66.43	4.36	9.32
	Probable	19.71	3.86	2.45
	<b>Total RBPlat</b>	<b>86.14</b>	<b>4.25</b>	<b>11.77</b>

## The prill split for the Merensky and UG2 reefs

The prill split for the Merensky Reef



The prill split for the UG2 Reef





# OUR PERFORMANCE IN 2016



## FINANCIAL CAPITAL

- > Revenue of **R3.3 billion**  
(2015: R3.0 billion)
- > EBITDA of **R489.7 million**  
(2015: R297.9 million)
- > EBITDA margin of **14.7%** (2015: 9.8%)
- > **R835.5 million** in cash reserves  
(2015: R917.6 million)
- > Average rand basket price of **R18 906/Pt oz**  
(2015: R17 256/Pt oz)



## MANUFACTURED CAPITAL

- > **12.3%** increase in total tonnes delivered to 2 759kt (2015: 2 457kt)
- > **12.2%** increase in tonnes milled to 2 762kt (2015: 2 461kt)
- > **R10 068** operating cash cost/4E oz (2015: R9 359)
- > **R15 639** operating cash cost/Pt oz (2015: R14 504)



## HUMAN CAPITAL

- > **80.0%** improvement in fatal injury frequency rate (FIFR) to 0.013 (2015: 0.055)
- > **7.1%** improvement in lost time injury frequency rate (LTIFR) to 0.380 (2015: 0.409)
- > **62.4%** deterioration in serious injury frequency rate (SIFR) to 0.216 (2015: 0.133)
- > **31.5%** improvement in total injury frequency rate (TIFR) to 1.446 (2015: 2.112)



## SOCIAL AND RELATIONSHIP CAPITAL

- > **R36.0\*** million spent on our SLP commitment (2015: R74.6 million)
- > **R1.6 billion** spent with HDSA suppliers (79.6% of our total discretionary spend procurement)



## NATURAL CAPITAL

- > RBPlat awarded CDP **A grade** for water management - one of only 24 global leaders in water management
- > **40.5%** decrease in potable water usage year-on-year
- > **7.8%** reduction in carbon intensity



## INTELLECTUAL CAPITAL

We have measured our performance against our material issues. While we have not identified specific material issues in terms of our intellectual capital, we use our intellectual capital to achieve our material issue targets in financial, manufactured, human, social and relationship and natural capital

\* This amount excludes R251.1 million invested in our employee home ownership scheme



# OUR LEADERSHIP TEAM

RBPlat is managed by an experienced and focused team supported by strong, broad-based empowerment credentials and solid financial backing through its major shareholder Royal Bafokeng Holdings (RBH).

## OUR BOARD OF DIRECTORS

Non-executive directors



**Advocate Kgomotso Moroka (62)**  
(Independent)  
BProc, LLB



**Linda de Beer (47)**  
(Independent)  
CD(SA), CA(SA), MCom (Tax)



**Robin Mills (70)**  
(Independent)  
BSc (Eng) (Rand) Mining, CEng,  
FIMMM, FSAIMM



**Mark Moffett (57)**  
(Independent)  
CA(SA)



**Thoko Mokgosi-Mwantembe (54)**  
(Independent)  
MSc



**Velile Nhlapo (38)**  
(Non-executive director)  
NHD (Metals), BTech (Mining  
Engineering), MMCC



**Mike Rogers (72)**  
(Independent)  
BSc (Eng) (Rand) Mining, PrEng, FSAIMM



**Louisa Stephens (40)**  
(Independent)  
CD(SA), CA(SA), BBusSc (Finance)



**David Wilson (46)**  
(Non-executive director)  
CA(SA)



# OUR EXECUTIVE COMMITTEE

Executive  
directors and  
members of the  
executive  
committee



**Steve Phiri (60)\***  
Chief Executive Officer  
BJuris, LLB, LLM, Dip Corp Law



**Martin Prinsloo (48)\***  
Financial Director  
CA(SA)



**Neil Carr (57)**  
Executive Head: Operations  
BSc (Mechanical Engineering), EDP (INSEAD)



**Reginald Haman (42)**  
Executive: Risk, Assurance and  
Sustainability  
MBA, PGDBA, Graduate diploma  
in Company Direction, NHD, ND



**Glenn Harris (55)**  
Head of Operations for the BRPM  
Joint Venture  
NHD (Metals), BTech, MDP, MMCC



**Lindiwe Montshiwagae (45)**  
Executive: Investor Relations  
BCompt (Hons), MCom (Financial  
Management), MDP



**Mpueleng Pooe (57)**  
Executive: Corporate Affairs  
BProc, MDP, Certificate in Advanced  
Corporate and Securities Law



**Vicky Tlhabanelo (56)**  
Executive: Human Resources  
MM (Masters in Management), BCom (Hons),  
Dip (Management and Accounting)

## CONTACT DETAILS

Further information is available  
on our corporate website  
[www.bafokengplatinum.co.za](http://www.bafokengplatinum.co.za)

## INVESTOR RELATIONS

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## CORPORATE OFFICE

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