

# A compelling platinum story

Bank of America Merrill Lynch  
13<sup>th</sup> Annual Sun City Conference  
March 2012



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# About RBPlat



# About Royal Bafokeng Platinum (RBPlat)

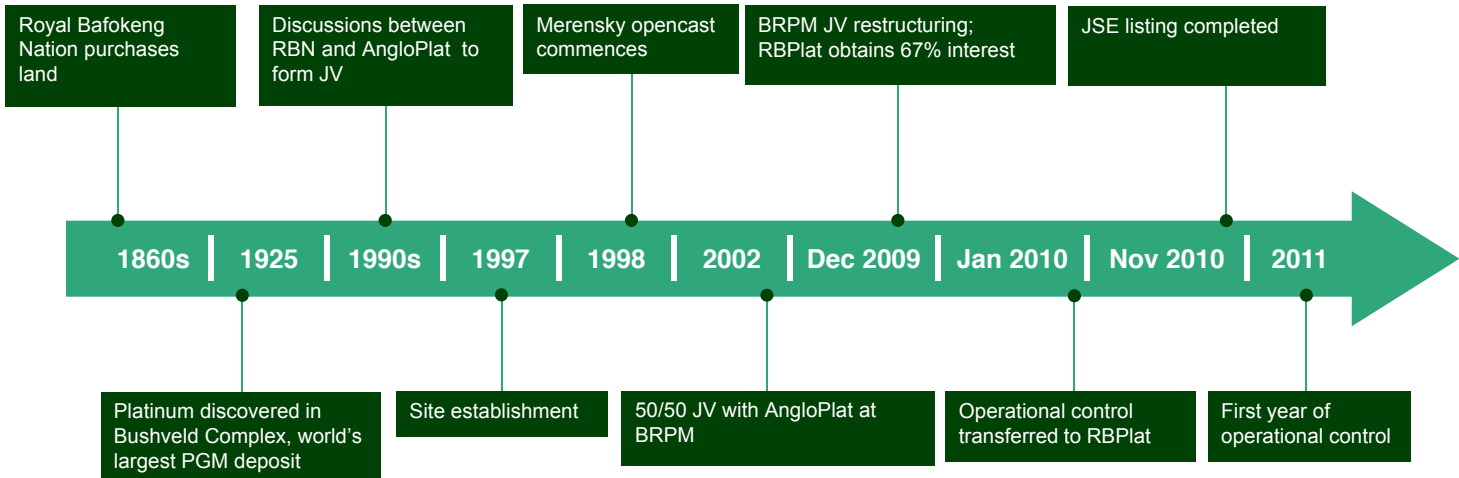
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- Black-owned and controlled, mid-tier PGMs producer
- Assets located on Western Limb of Bushveld Complex, South Africa
- 67% interest in Bafokeng Rasimone Platinum Mine (BRPM), unincorporated JV with Anglo American Platinum
  - BRPM (operating since 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 73Moz (54.3Moz, measured and indicated)
  - producing assets of approx 282,000 ounces of 4E PGM concentrate per annum
  - 7,942 employees (including contractors)
  - +30 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 R10.6 billion (23 March 2012)

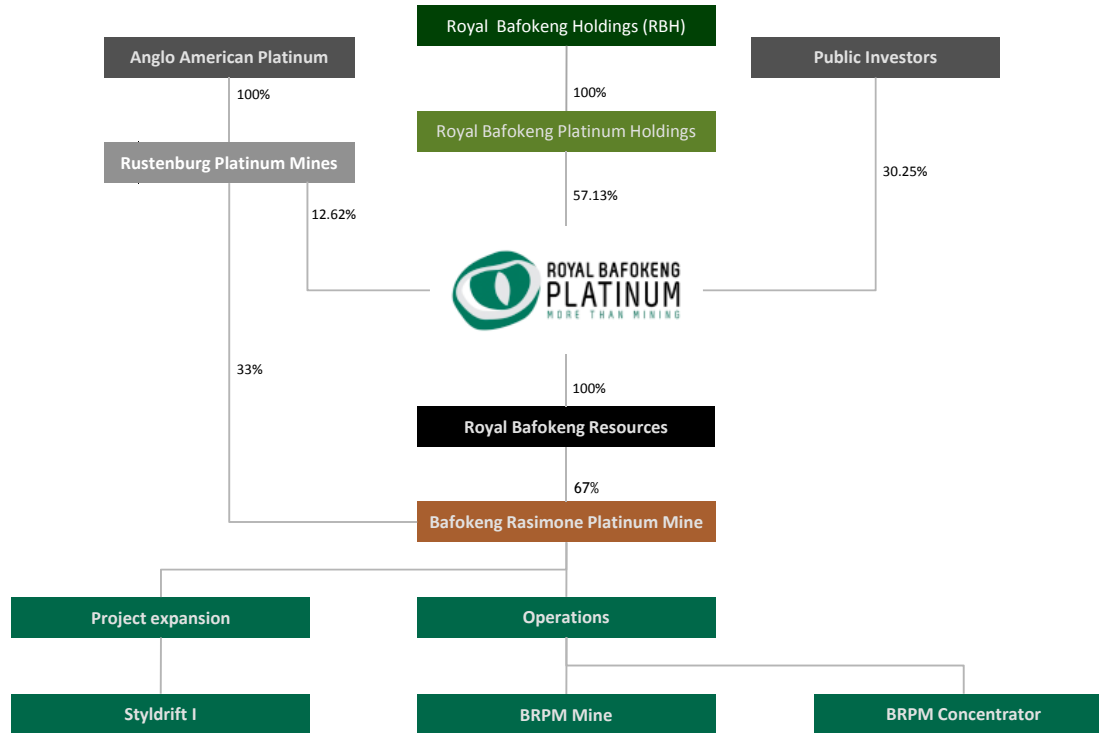
# Prime location on the Western Limb



# 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

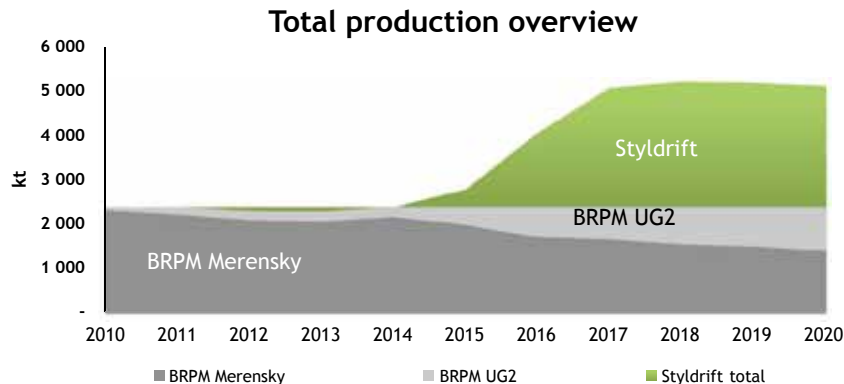


- **13 years of operation**
  - well-understood, defined geology
  - sophisticated 3D seismic exploration
- **Shallow depth**
  - BRPM: twin decline shaft complex at 500m
  - Styldrift I project: new twin vertical shaft system at 740m
    - shallowest new shaft in industry
- **Growth**
  - full mining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



# Focus on Merensky with significant quality UG2

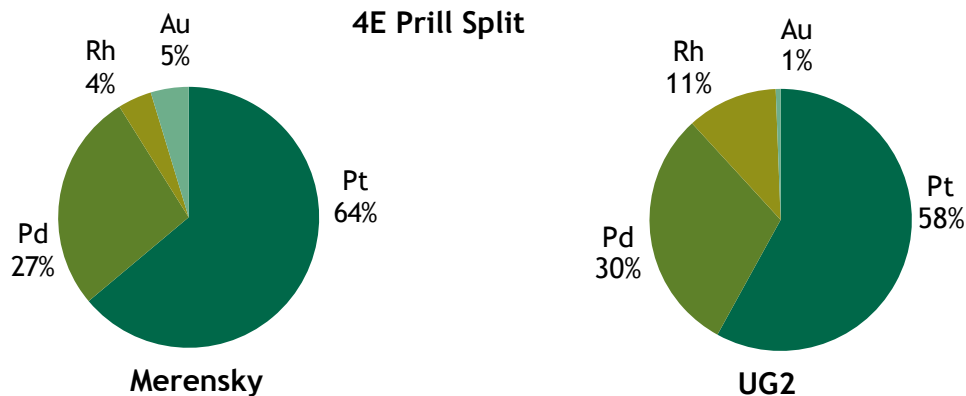
- Merensky production growth at Styldrift I from 2017
- UG2 to gradually replace Merensky production from 2014 at BRPM South shaft, and from 2025 at North shaft
- UG2 mining at Styldrift expected after 2040 with possible early co-extraction



# Attractive margins with scope for cost reduction



- High grade, attractive prill split
  - significant base metal revenue contribution (nickel 9.3% in 2011)
- 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 significant 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
- Location of assets – a catalyst for consolidation

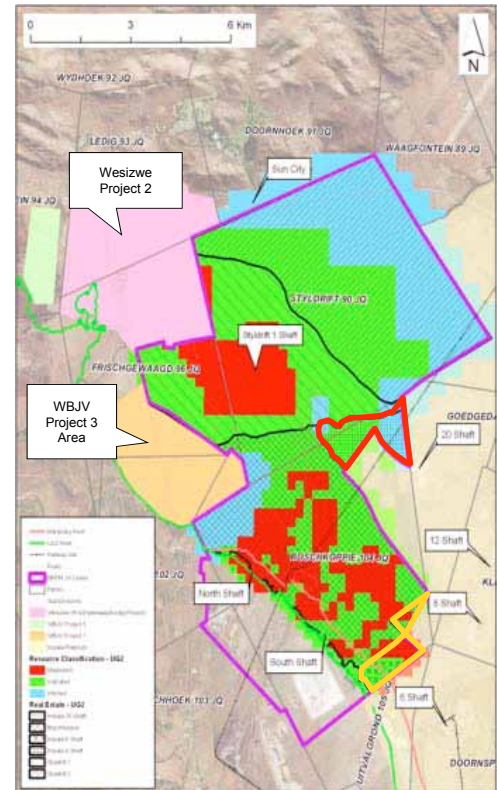


# Poised to grow organically and through consolidation

## Value-enhancing transactions with Impala



- Key commercial terms agreed on:
  - 7-year mining arrangement (concluded in 2010) with Impala via Impala's #6 & 8 shafts
    - resource of 780,000oz (4E) of UG2
  - 30-year mining arrangement (concluded in 2011) with Impala via Impala's #20 shaft
    - resource of 2.2Moz (4E) of both Merensky and UG2 (boot area)
  - all mining, safety, health and environmental risks borne by Impala

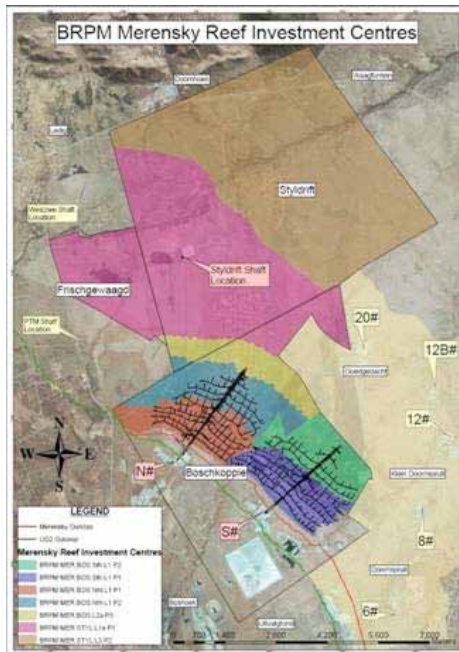


# Our operations

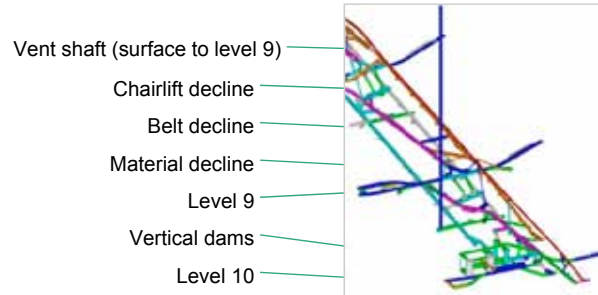


# BRPM: geology, layout and access

## Layout



## Shaft layout



Source: Company

## Orebody access



Ore conveyed to plant



Belt riding



# Well-developed infrastructure

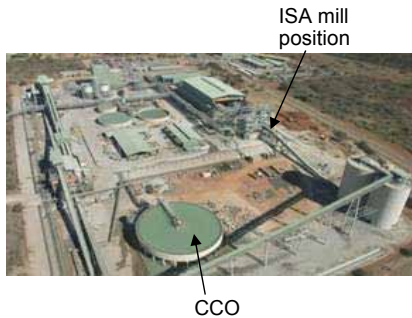
## North Shaft



## South Shaft



## Concentrator Plant



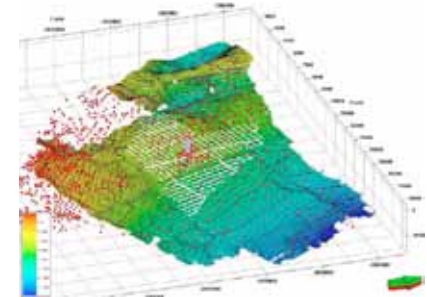
## ISA Mill



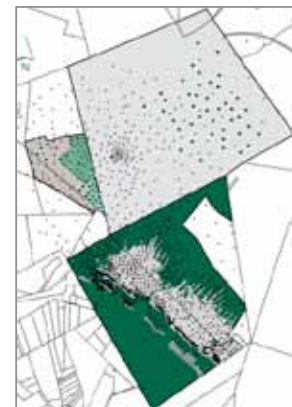
# Resource optimisation strategy and exploration

- Well-understood, high-quality orebody
  - Cumulative drilling up to end of 2011
    - total intersection points: 9,150
    - total drillholes: 6,023
    - total metres: 1,397km
  - 2011 exploration:
    - 65 drillholes, 70,000m (50,342m Styldrif II, 19,658m Frischgewaagd)
    - 260 reef intersections per reef horizon
    - 0.32% variance between planned reef intersections (seismic data) and actual
  - 2012 planned exploration:
    - Styldrif II: 40 drillholes, 45,000m
    - Boschkoppie: 10 drillholes, 7,500m
    - Objective – increase resource classification confidence
  - 2012 - 2013 updated interpretation of aeromagnetic and 3D seismic surveys

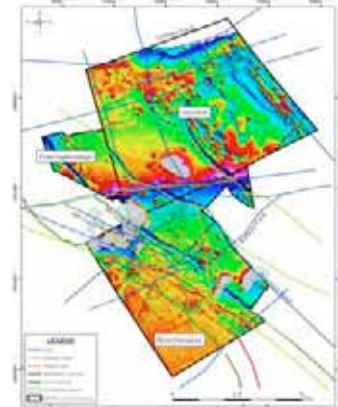
3D seismic survey



2011 Exploration drilling



Aeromagnetic survey



# Resources



Description	100% Inclusive Resource			RBPlat 67%		
	Mt	4E g/t	4eMoz	Mt	4E g/t	4eMoz
<b>BRPM</b>						
<b>Merensky</b>						
Measured	14.92	7.63	3.66	10.00	7.63	2.45
Indicated	8.26	7.27	1.93	5.53	7.27	1.29
Inferred	7.64	8.12	1.99	5.12	8.12	1.34
<b>Merensky Total</b>	<b>30.82</b>	<b>7.66</b>	<b>7.59</b>	<b>20.65</b>	<b>7.66</b>	<b>5.08</b>
<b>UG2</b>						
Measured	41.44	5.40	7.20	27.77	5.40	4.82
Indicated	19.85	4.95	3.16	13.30	4.95	2.11
Inferred	10.51	4.63	1.56	7.04	4.63	1.05
<b>UG2 Total</b>	<b>71.79</b>	<b>5.16</b>	<b>11.92</b>	<b>48.10</b>	<b>5.16</b>	<b>7.99</b>
<b>Total BRPM</b>	<b>102.6</b>	<b>5.91</b>	<b>19.51</b>	<b>68.75</b>	<b>5.91</b>	<b>13.07</b>
<b>Styldrift</b>						
<b>Merensky</b>						
Measured	38.94	6.99	8.75	26.09	6.99	5.86
Indicated	64.81	6.65	13.85	43.42	6.65	9.28
Inferred	41.00	7.08	9.33	27.47	7.08	6.25
<b>Merensky Total</b>	<b>144.75</b>	<b>6.86</b>	<b>31.93</b>	<b>96.98</b>	<b>6.86</b>	<b>21.40</b>
<b>UG2</b>						
Measured	15.60	5.21	2.61	10.45	5.21	1.75
Indicated	77.44	5.28	13.14	51.89	5.28	8.80
Inferred	33.96	5.77	6.30	22.75	5.77	4.22
<b>UG2 Total</b>	<b>127.00</b>	<b>5.40</b>	<b>22.05</b>	<b>85.09</b>	<b>5.40</b>	<b>14.77</b>
<b>Total Styldrift</b>	<b>271.8</b>	<b>6.18</b>	<b>53.98</b>	<b>182.07</b>	<b>6.18</b>	<b>36.17</b>
<b>BRPM JV</b>						
Measured	110.90	6.23	22.23	74.30	6.23	14.89
Indicated	170.36	5.86	32.07	114.14	5.86	21.49
Inferred	93.11	6.41	19.19	62.38	6.41	12.86
<b>Total BRPM JV</b>	<b>374.36</b>	<b>6.11</b>	<b>73.49</b>	<b>250.82</b>	<b>6.11</b>	<b>49.24</b>

# Reserves

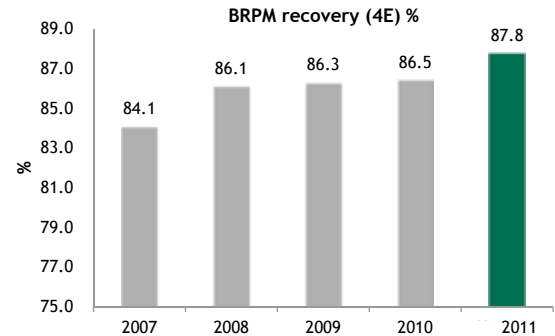


Description	100% Reserve			RBPlat 67%		
	Mt	4E g/t	4eMoz	Mt	4E g/t	4eMoz
<b>BRPM</b>						
<b>Merensky</b>						
Proven	15.30	4.49	2.21	10.25	4.49	1.48
Probable	7.38	4.42	1.05	4.95	4.42	0.7
<b>Merensky Total</b>	<b>22.68</b>	<b>4.47</b>	<b>3.26</b>	15.50	4.47	2.18
<b>UG2</b>						
Proven	39.57	3.93	5.00	26.51	3.93	3.35
Probable	15.54	3.74	1.87	10.41	3.74	1.25
<b>UG2 Total</b>	<b>55.11</b>	<b>3.88</b>	<b>6.87</b>	36.93	3.88	4.60
<b>Total BRPM</b>	<b>77.79</b>	<b>4.05</b>	<b>10.13</b>	52.43	4.05	6.78
<b>Styldrift</b>						
<b>Merensky</b>						
Proven	30.50	4.53	4.45	20.44	4.53	2.98
Probable	19.50	3.73	2.34	13.07	3.73	1.57
<b>Merensky Total</b>	<b>50.00</b>	<b>4.22</b>	<b>6.79</b>	33.50	4.22	4.55
<b>UG2</b>						
Proven	-	-	-	-	-	-
Probable	-	-	-	-	-	-
<b>UG2 Total</b>	-	-	-	-	-	-
<b>Total Styldrift</b>	<b>50.00</b>	<b>4.22</b>	<b>6.79</b>	33.50	4.22	4.55
<b>BRPM JV</b>						
Proven	85.37	4.25	11.66	57.20	4.25	7.81
Probable	42.42	3.86	5.26	28.42	3.86	3.52
<b>Total BRPM JV</b>	<b>127.79</b>	<b>4.12</b>	<b>16.91</b>	85.62	4.12	11.33

# Production



- Smooth operational handover from 4 January 2010
- Operational strategy aimed at optimising throughput and revenue
  - expand UG2 production
  - increase stopable reserves
  - upgrading of BRPM concentrator



Description	Unit	2011	2010	2009
Tonnes milled	kt	2,305	2,407	2,154
Recovery - 4E (total concentrating)	%	87.5	86.4	86.3
Recovery - 4E BRPM concentrator	%	87.8	86.5	86.3
Head grade	g/t	4.35	4.31	4.52
PGM ounces (4E)	000oz	281.6	288.1	269.9

# Operating costs



Description	Unit	2011	2010
Operating labour	Employees	7,942	7,670
On-mine cash cost/tonne milled	R/t	782	707
On-mine cash cost/4E oz delivered	R/oz (4E)	6,399	5,901
On-mine cash cost/Pt oz delivered	R/oz (Pt)	9,863	9,076

# Progress at Styldrift



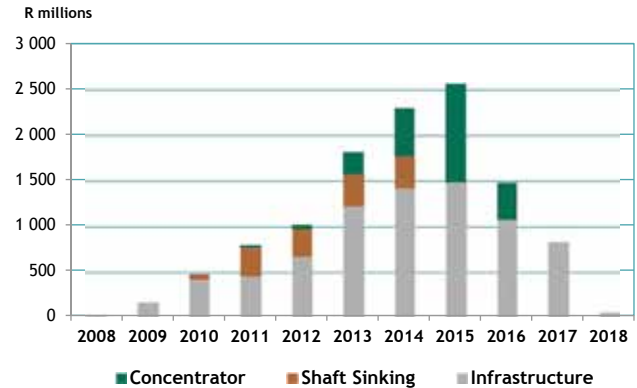
# Styldrift I Project



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	9,119	2,360	11,479
Total cost to date	Rm	1,229	9	1,238

Capital cash flow - nominal

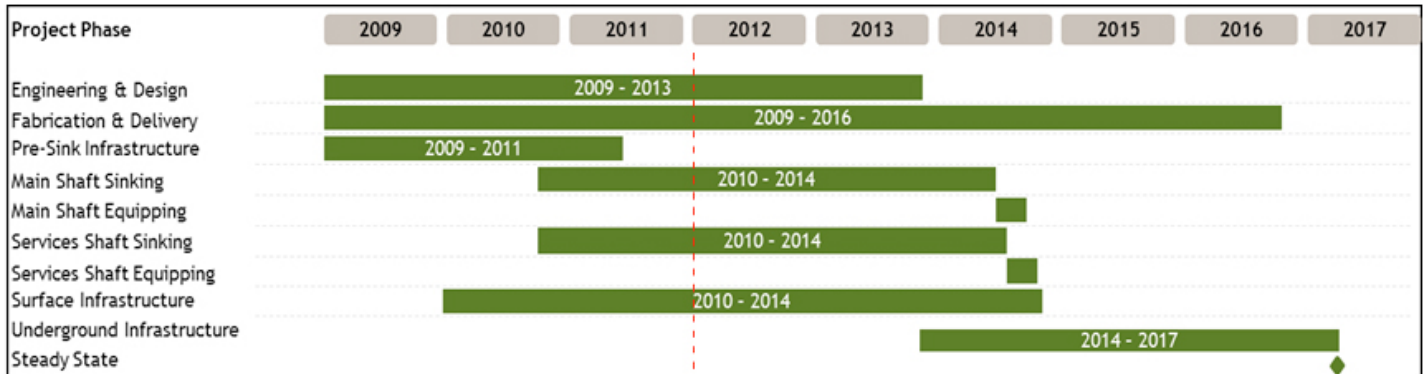


- Cost commitment to date R1.88 billion
- HDSA spend to date R671 million
- Total JV production planned to rise to 430,000tpm of milled ore, yielding in excess of 400,000oz platinum-in-concentrate per annum
- Steady-state anticipated in 2017



# Styldrift I Project, continued

## Project timetable



- Progress (31 December 2011)
  - planned % complete: 25.4%
  - actual % complete: 25.8%

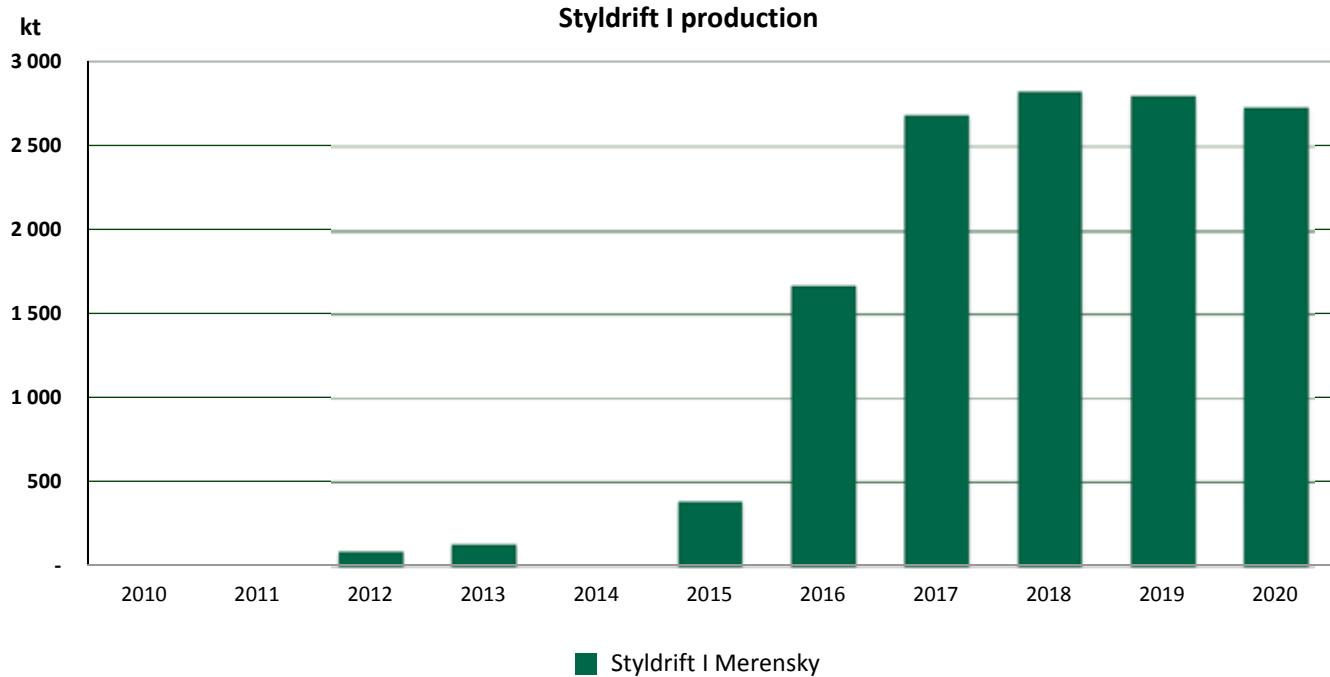
# Styldrift I Project, continued

- Legal and Permitting:
  - Mining Right – granted in March 2008
  - EMP – approved in March 2008
  - Water User Licence – approved in April 2010
  - Legal Appointments – all in place
  - Social and Labour Plan – approved in September 2009



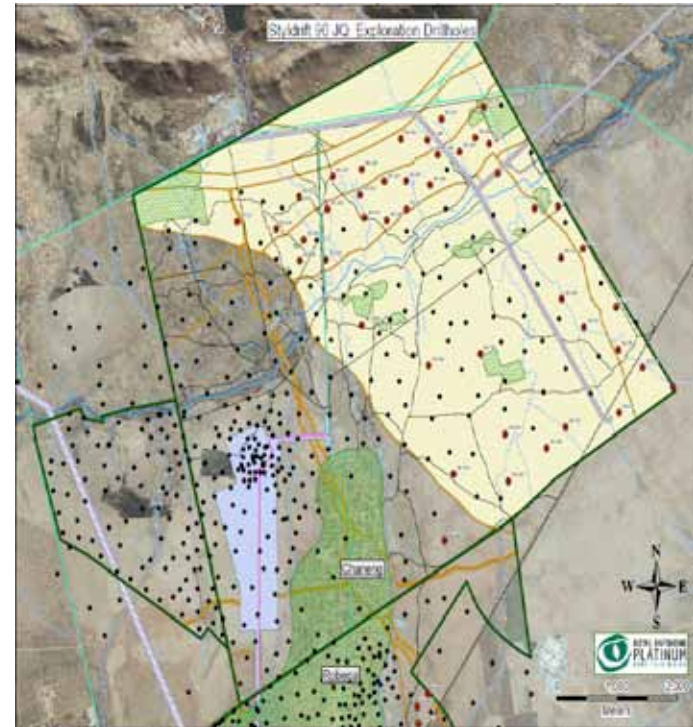
# Styldrift I Project, continued

## 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<sup>o</sup>
  - average Merensky/UG2 middling 35m
- Potential size of investment similar to Styldrift I
- 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 due for completion Q1 2012
- Drilling programme initiated
  - 50,342m of drilling completed in 2011 – 42 drill holes
  - 168 reef intersections on each reef horizon to date
  - 40 additional drill holes planned for 2012, equating to 45,000m



# Financial performance



# Key features for year ended 31 December 2011



- **Fatality-free** year
- Conclusion of landmark **three-year** wage agreement
- Production of **281,598 PGMs** (4E oz) despite challenging environment
- BRPM concentrator recoveries improve by 1.5% to **87.83%**
- BRPM revenue up by 2% to **R2.97 billion**
- Cash operating cost per tonne milled increased by **11%** to R782/t
- Earnings per share of **167 cents**, down by 13% from 191 cents in 2010
- Balance sheet ungeared with healthy cash and near-cash position of **R1.36 billion**
- Accelerated capital expenditure of R1,164 million, **up by 17%**
- Styldrif I Project **on schedule**, **R323 million** declared savings to date

# Key financial performance indicators\*



	2011	2010
Average basket price (R/Pt oz)	16,282	15,555
Revenue (Rm)	2,975	2,107
Cost of sales (Rm)	2,409	1,608
<b>Gross profit (Rm)</b>	566	499
Operating profit (Rm)	517	440
EBITDA (Rm)	1,036	815
<b>Net profit after tax (Rm)</b>	411	3,166
Headline earnings (Rm)	274	270
HEPS (Rand per share)	1.67	1.91
Dividend per share (Rand per share)	—	—

\* The 2011 results reflect a full consolidation of the BRPM results compared to the 12 months ended 31 December 2010 which reflect a proportionate consolidation of 67% of BRPM up to 8 November 2010 and full consolidation of BRPM for the remainder of 2010.

## Key financial performance indicators, cont'd



	2011	2010
Cash generated by operations (Rm)	1,025	785
Cash, net of debt (incl. pref share investment) (Rm)	1,364	1,150
Capex (Rm)	1,164	976
Gross profit margin (%)	19	24
EBITDA margin (%)	35	39
NAV (Rand per share)	69	67

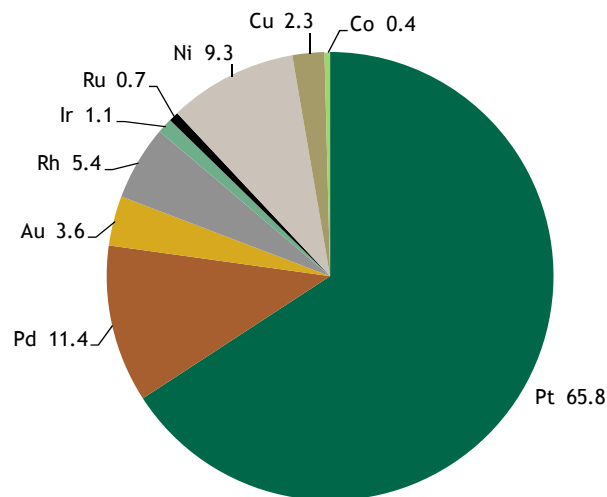


# Sales volumes by metal and average prices achieved



	2011 Sales volumes	Average price achieved* (\$)
Platinum (oz)	182,712	1,697/oz
Palladium (oz)	74,820	720/oz
Gold (oz)	9,806	1,716/oz
Rhodium (oz)	14,260	1,789/oz
Iridium (oz)	4,762	1,095/oz
Ruthenium (oz)	24,475	137/oz
Nickel (tonne)	2,071	9.63/lb
Copper (tonne)	1,302	3.82/lb

Metals contribution to 2011 revenue



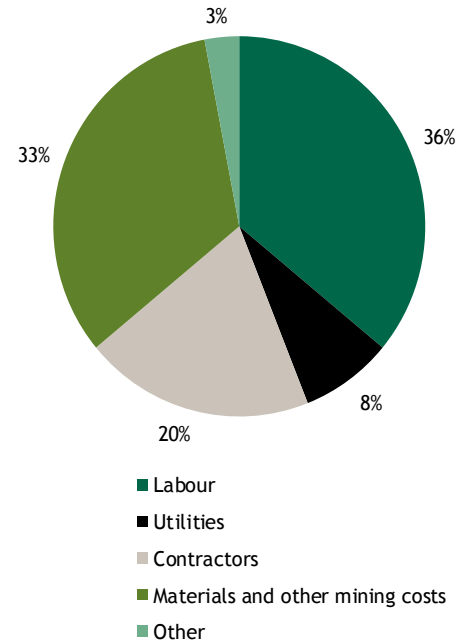
\*Grossed up to 100% from amount received in terms of disposal of concentrate agreement

# Breakdown of cost of sales\*

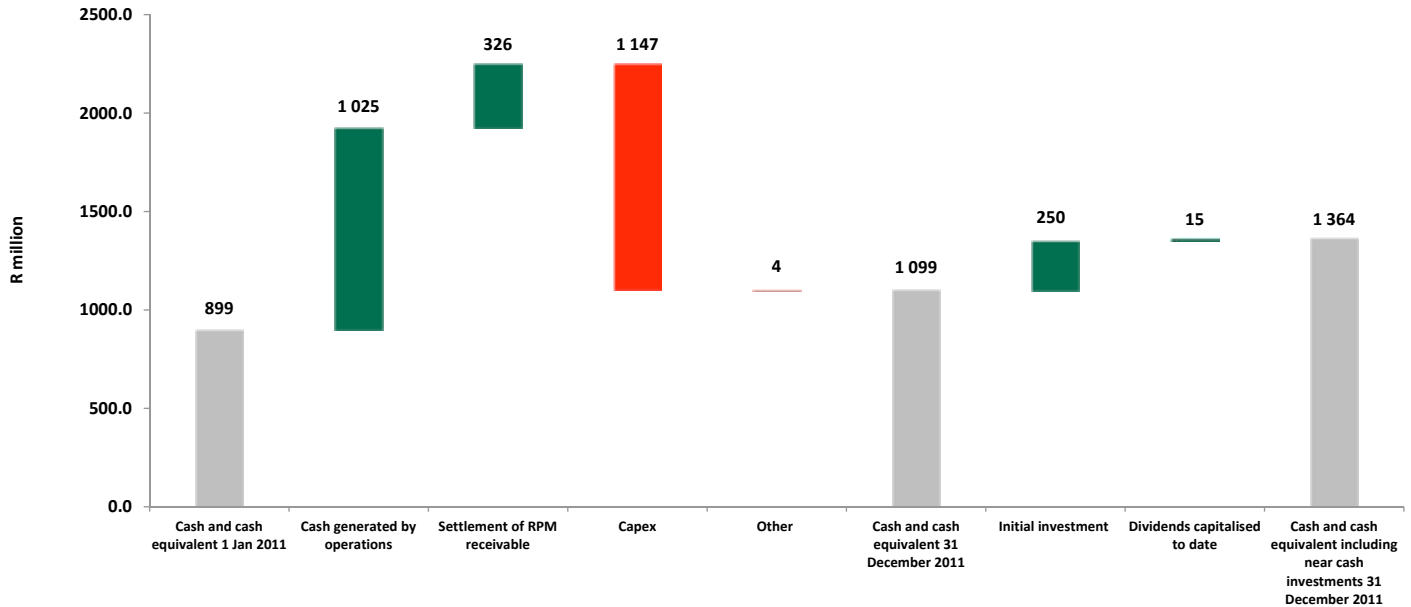
	2011	2010
R million		
Labour	674	490
Utilities	145	88
Contractor costs	377	264
Materials and other mining costs	583	402
Other	80	(10)
<b>Cost of sales (excluding depreciation and amortisation)</b>	<b>1,891</b>	<b>1,234</b>

\* The 2011 results reflect a full consolidation of the BRPM results compared to the 12 months ended 31 December 2010 which reflect a proportionate consolidation of 67% of BRPM up to 8 November 2010 and full consolidation of BRPM for the remainder of 2010.

Breakdown of 2011 COS (%)



# Cash flow analysis



# Our investment case



# A compelling story

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- **Compelling sector** with strong demand and supply fundamentals
- **Well-established, shallow 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**



# Appendix:

AUDITED ABRIDGED RESULTS

for the year ended 31 December 2011







## In Memory of Castigo Mario Ndeve

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We remember Castigo Mario Ndeve who passed away on 6<sup>th</sup> February 2012 as a result of injuries sustained during a fall of ground incident at BRPM's North Shaft.

### Personal Information

- Name : Castigo Mario Ndeve
- Occupation : Cheesa (explosives assistant)
- Birth Date : 16 August 1977 (34 years old)
- Wife : Anita Soia (32 years old)
- Children : 4 children (3, 4, 5 and 8 years old)
- Home : Chibuto, Gaza province, Mozambique
- Commenced : 20 April 2011 (9 months)

### Accident Information

- Nature : Fall of ground
- Work place : North shaft \ 6L south \ 7 line \ panel 1 east (ledge)
- Date : Monday, 06 February 2012
- Time : 13h30

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1. Overview
2. Safety
3. Market Review
4. Operational Review
5. Financial Review
6. Conclusion & Outlook



# Overview

# Good progress against strategy despite challenging year

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## Achievements

- Fatality-free year, 1.8 million fatality-free shifts by year-end
- Landmark three-year wage agreement provides stability and focus
- Improvement in headgrade (4.35g/t) and recoveries (87.83%)
- Styldrif I on track, R323 million project savings to date
- Accelerated capex programme to fund growth and replacement ounces
- Steady headline earnings at R273.7 million
- Ungeared balance sheet
- Healthy cash balances at year end of R1 364 million

## Disappointments

- Production declined by 2.2% to 281 598 PGM 4E oz
- Operating costs rose 10.7% to R782/t and 8.7% to R9 863/Pt oz
- Intermittent safety stoppages
- Contract worker strike

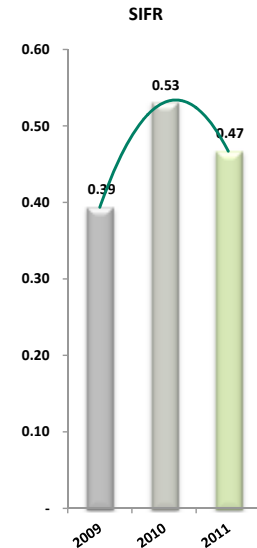
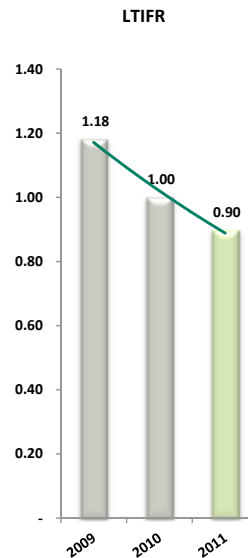


Safety

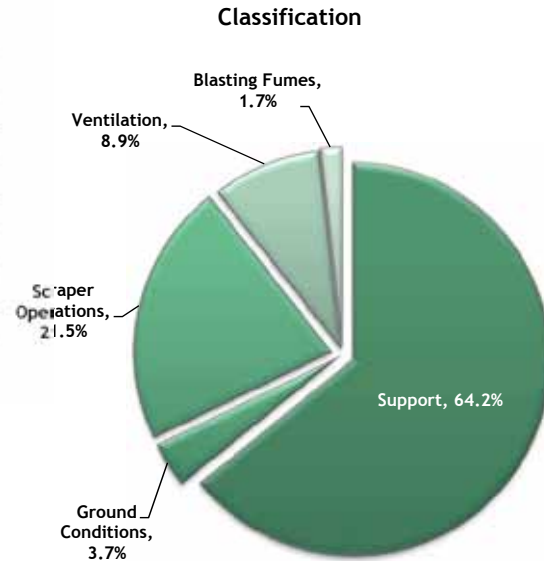
## Encouraging safety performance

Description	Unit	2009	2010	2011	Var	Var %
Fatal injuries	No.	1	3	0	3	100%
LTIFR	/200,000	1.18	1.00	0.90	0.10	10%
SIFR	/200,000	0.39	0.53	0.47	0.06	12%

- Zero fatalities
- 1.8 million fatality free shifts Dec'11
- Improved LTIFR and SIFR
  - LTIFR ↓ 10% YOY
  - SIFR ↓ 12% YOY
  - Zero harm safety strategy
    - Leadership, design, systems, behaviour
    - High risk areas (FOG, machinery, equipment)
    - Internal cross audits
    - Regulatory compliance



# Safety stoppages



- No of Stoppages : 12
- Lost milling tonnes : 91.6 kt
- Ounces lost : 11.5 koz (4E)
- Increase in unit costs : 16.1 R/t



# Market Review



## 2011 - a year of two quite different halves for PGMs

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### 1<sup>st</sup> half of 2011:

- Characterised by the earthquake and tsunami in Japan
- Platinum prices pushed to the US\$1 850/oz level
  - This encouraged recycling of around 300koz of platinum jewellery ,capping any further price increase

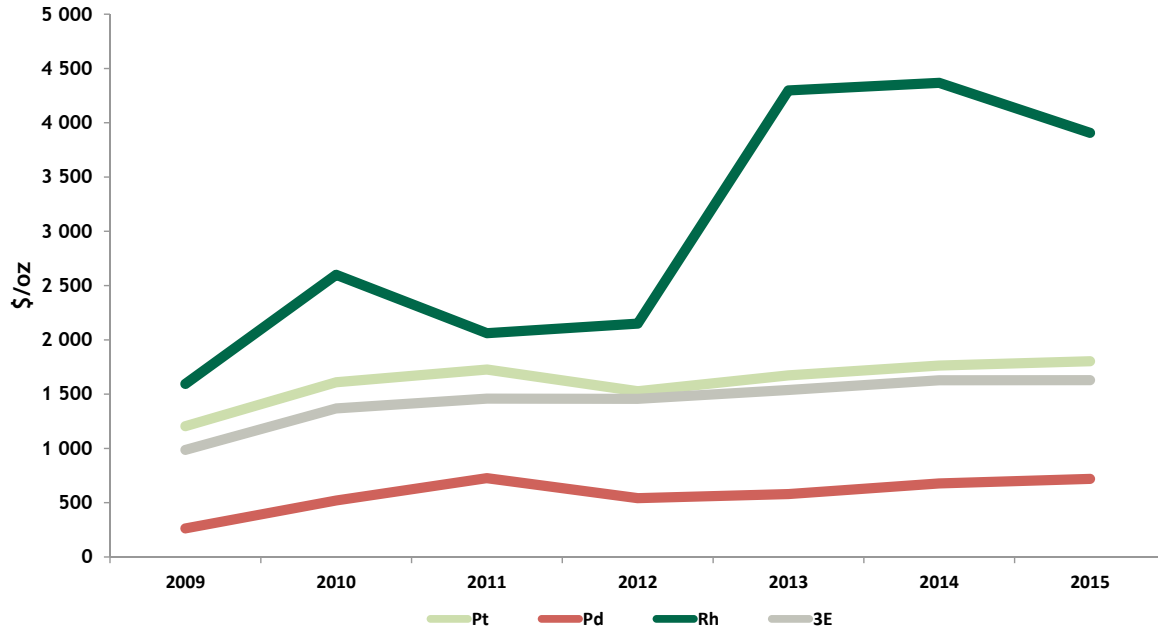
### 2<sup>nd</sup> half of 2011:

- Intensification of Euro crisis led to weakened automotive demand
  - Europe accounts for approximately 50% of automotive platinum demand
- Platinum price settled at just below US\$1 400/oz after lifting to almost US\$1 900/oz at end of August
- Palladium prices followed trend of platinum prices trading below US\$650/oz by year-end
- Rhodium declined 40% through 2011, settling at US\$1 400/oz by year-end

# Price forecast for platinum, palladium and rhodium



PGM price forecasts (2011 money terms)



Source: SFA Oxford

## Recovery in demand despite events in 2011

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### Autocatalysts

- Platinum demand was up 12% to 3.48 Moz in 2011 (still 811 koz down on 2007 peak)
- Palladium demand rose 5% to 5.77 Moz (718 koz higher than in 2007)
- Rhodium demand was 4% higher at 871 koz (105 koz lower than 2007 levels)

### Jewellery

- Gross platinum jewellery demand also up 12% to 2.5 Moz
  - However, with recycling net jewellery demand rose by just 1.1% to 1.86 Moz

### ETF's

- Global platinum ETF holdings rose by a net of 68.5 koz to 1.3 Moz at end of 2011

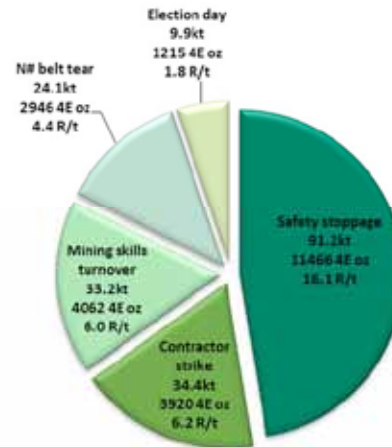


# Operational Review

Description	Unit	2009	2010	2011	Var	Var %
Tonnes delivered - Total	kt	2 177	2 366	2 284	-82	-3%
Tonnes delivered - MER	kt	2 158	2 288	2 026	-262	-11%
Tonnes delivered - UG2	kt	19	78	258	180	232%
Working cost development	km	21	29	27	-2	-7%
Stoping to development replacement rate	m <sup>2</sup> /m	31.8	35.0	32.2	2.8	8%
Immediately stopable reserves	months	6.5	4.9	5.5	0.5	11%
Immediately stopable reserves	km	6.01	4.57	4.58	0.00	0%

- Tonnes delivered 3% down YoY
  - MER ↓ 82kt (11%)
  - UG2 ↑ 180kt (232%)
- MER grade improvement
  - Focus areas
    - Continuity (stoppages)
    - Flexibility (stopable ore reserves)
    - Productivity improvements

## Production Delays

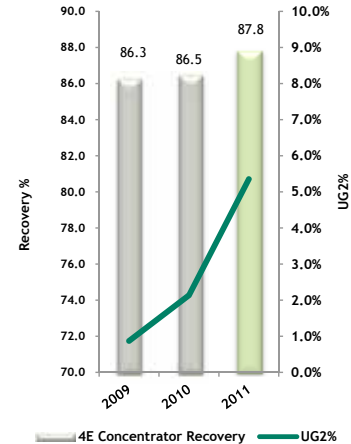


# Concentrating



Description	Unit	2010	2011	Var	Var %
Tonnes milled - Total	kt	2 407	2 305	-102	-4%
Tonnes milled - MER BRPM	kt	2 329	2 047	-282	-12%
Tonnes milled - UG2 BRPM	kt	51	116	65	128%
Tonnes milled - UG2 Toll	kt	27	142	115	428%
BRPM - UG2%	%	2%	5%	3%	138%
Head grade (4E) - Total	g/t	4.31	4.35	0.04	1%
Head grade (4E) - MER	g/t	4.32	4.44	0.12	3%
Head grade (4E) - UG2	g/t	3.83	3.60	-0.24	-6%
Recovery - 4E (Total concentrating)	%	86.4	87.5	1.0	1%
Recovery - 4E BRPM concentrator	%	86.5	87.8	1.3	2%
4E metals in concentrate	koz	288	282	-6	-2%
Pt metal in concentrate	koz	187	183	-5	-2%

BRPM Concentrator Recovery (4E)

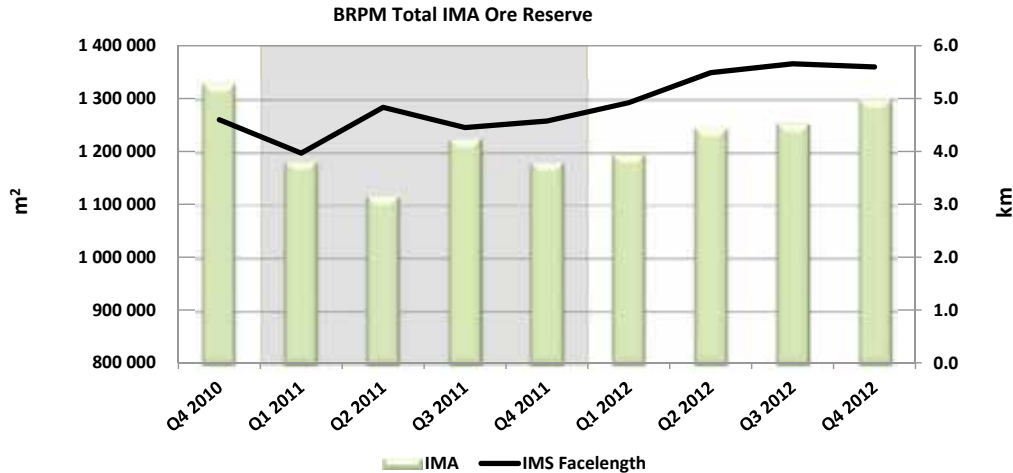


- Milled tonnes constrained by mining output
- Increased UG2 concentrating up 232%
- BRPM concentrator operating efficiently
- Co-processing

# Operating strategy



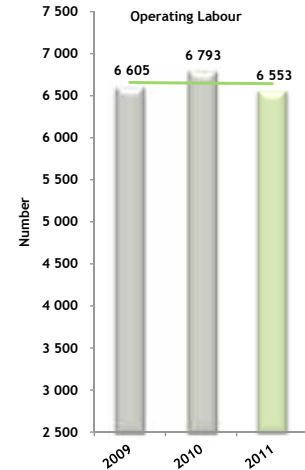
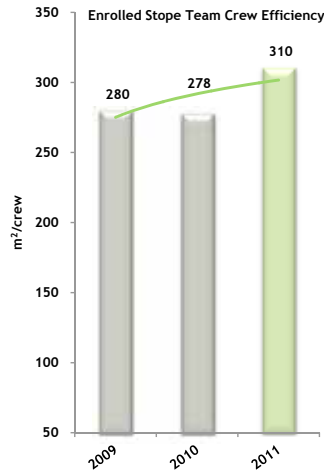
Expand UG2 production	<ul style="list-style-type: none"> <li>• Shallow UG2 accessible on levels where Merensky is depleted</li> <li>• Requires significant initial development (10m<sup>2</sup>/m)</li> </ul>
Increase stopable reserves	<ul style="list-style-type: none"> <li>• Development replacement rate (30 m<sup>2</sup>/m)</li> <li>• Ledgering and equipping - restructuring / resources</li> <li>• Re-development resources</li> </ul>
Upgrading of BRPM Concentrator	<ul style="list-style-type: none"> <li>• Co-processing of Merensky and UG2</li> <li>• Increase concentrator throughput capacity (230 ktpm)</li> </ul>



# Labour

Description	Unit	2009	2010	2011	Var	Var %
Labour - total	No.	7 497	7 670	7 942	-272	-4%
Labour - working cost	No.	6 605	6 793	6 553	240	4%
Labour - capital	No.	892	877	1 389	-512	-58%
Stoping efficiency - total	m <sup>2</sup> /Crew	358	349	318	-31	-9%
Stoping efficiency - enrolled	m <sup>2</sup> /Crew	280	278	310	32	12%
Stoping efficiency - contractor	m <sup>2</sup> /Crew	385	371	320	-51	-14%
Milled tonnes/ TEC	t/TEC	27.2	29.5	29.3	-0.2	-1%

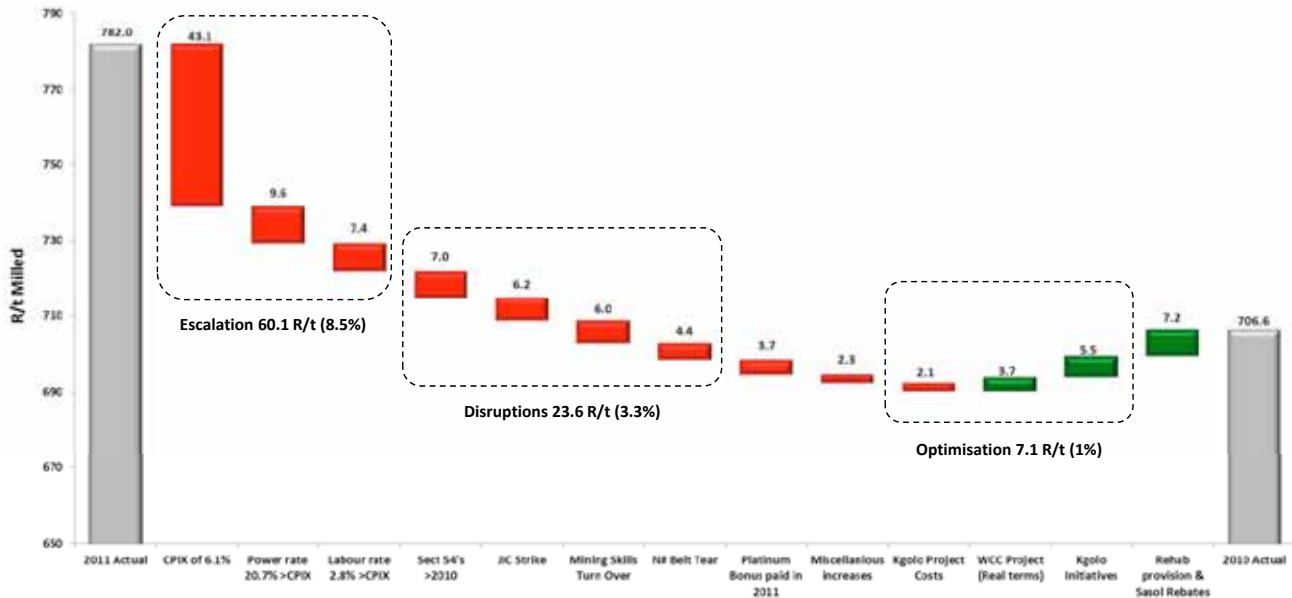
- Working cost : Reduction in operating labour YOY in line with cost containment strategy
- Increase in capital labour commensurate with capital project requirements
- Three-year wage agreement brokered with organised labour
- Stope crew efficiencies
  - Enrolled team efficiencies ↑ 12%
  - Contractor team efficiencies ↓ 14%



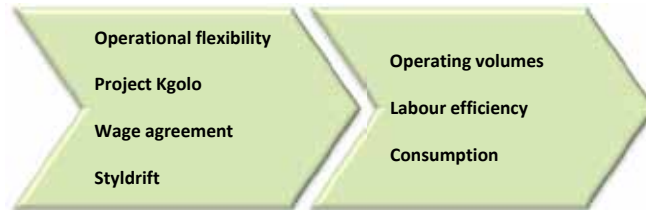
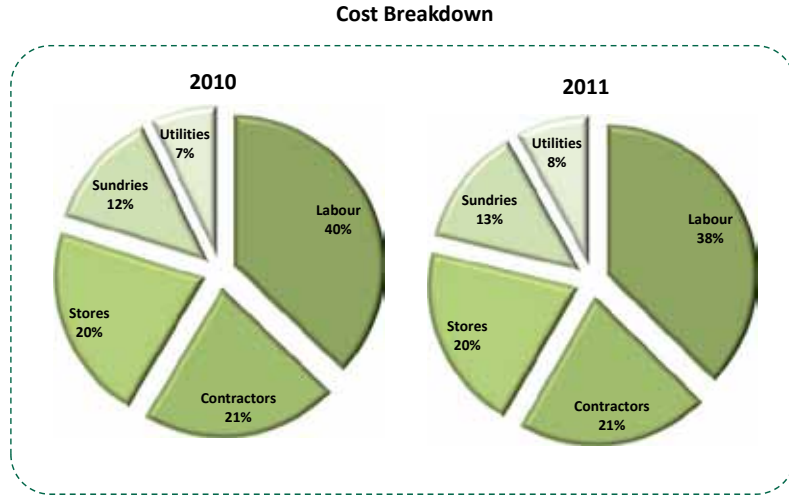
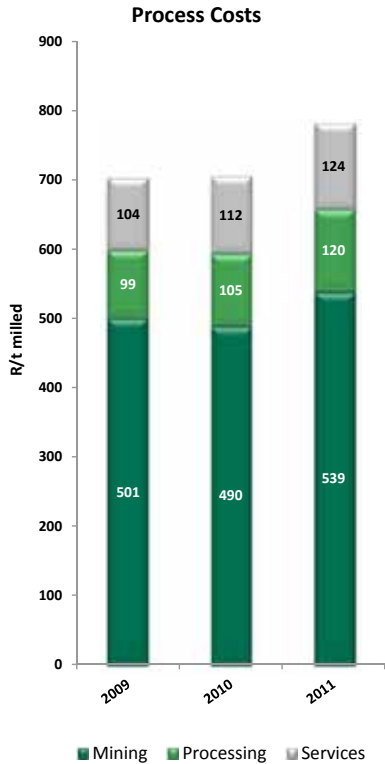


# Operating Expenditure

Description	Unit	2009	2010	2011	Var	Var %
Cash operating costs	R'm	1,516	1,700	1,802	-102	-6%
Cash unit cost	R/t	704	707	782	-75	-11%
Cash unit cost	R/4E oz	5,616	5,901	6,399	-498	-8%
Cash unit cost	R/Pt oz	8,629	9,076	9,863	-788	-9%



# Operating Expenditure (continued)



## Capital Expenditure

Description	Unit	2010	2011	Var	Var %
Total capex	Rm	967	1 164	196	20%
SIB	Rm	98	146	48	49%
Replacement	Rm	380	379	-1	0%
Phase II	Rm	304	209	-95	-31%
Phase III	Rm	60	167	107	176%
BRPM UG2	Rm	14	3	-12	-82%
Expansion	Rm	490	638	149	30%
Styldrift I	Rm	480	636	155	32%
BRPM Concentrator Upgrade	Rm	9	3	-6	-69%

SIB capital

- 8% of Opex, in line with expectation

Replacement capital

- Phase II : Reduction due to project nearing completion
- Phase III : Increase attributable to escalation in project activities

Expansion capital

- Styldrift I : Increase in construction and sinking activities
- BRPM plant upgrade deferred to 2012

## BRPM Replacement Projects

### Phase II (Extend N# and S# from level 6 to level 10)

Description	Unit	Plan	Act	Var
N# % complete	%	Complete	Complete	Complete
S# % complete	%	95%	90%	-5%
N# completion date	month	Complete	Complete	Complete
S# completion date	month	Jul 12	Sep 12	-2 months
Expenditure to date	Rm	2 358	2 153	205
Estimate at completion	Rm	2 387	2 334	53

- North Shaft complete
- South Shaft completion Sept 2012
- Estimate at completion - R53 million saving

### Phase III (Extend N# from level 11 to level 15)

Description	Unit	Plan	Act	Var
% Complete	%	20%	20%	0%
Completion date	month	Aug 17	Jul 17	1
Expenditure to date	Rm	296	216	80
Estimate at completion	Rm	1 270	1 251	19

- Project on schedule
- Development 305m ahead of schedule (actual metres 2,254m, planned metres 1,949m)
- Estimate at completion - R19 million saving

# Styldrift I Project



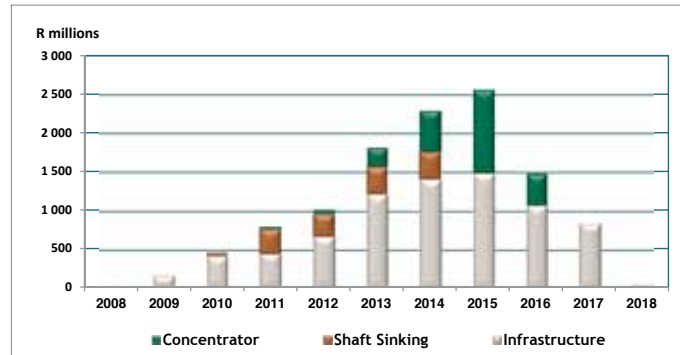
# Styl drift I Project

Description	Unit	Plan	Act	Var
<b>Overall progress</b>	%	25.4	25.8	0.4
<b>Shaft sinking</b>	m	510	371	-140
Main shaft	m	264	219	-45
Service shaft	m	246	152	-94
<b>Milestone dates</b>	<b>Unit</b>	<b>Plan</b>	<b>Forecast</b>	<b>Var</b>
Main shaft 594 level	date	2012 Q2	2012 Q3	-3 months
Main shaft sink	date	2014 Q1	2014 Q2	-3 months
Main shaft equipping	date	2014 Q3	2014 Q4	-3 months
Services shaft sink	date	2014 Q2	2014 Q3	-3 months
Services shaft equipping	date	2014 Q4	2015 Q1	-3 months
Surface infrastructure	date	2014 Q4	2014 Q4	-
Underground infrastructure	date	2017 Q2	2017 Q2	-
Production start	date	2015 Q1	2015 Q1	- (1)
Steady state	date	2017 Q2	2017 Q2	- (1)
Concentrator feasibility study	date	2013 Q2	2013 Q2	-
Concentrator construction	date	2015 Q4	2015 Q4	-
Concentrator steady state	date	2016 Q2	2016 Q2	-
<b>Expenditure</b>	<b>Unit</b>	<b>Plan</b>	<b>Act</b>	<b>Var</b>
Project to date	Rm	1 644	1 238	406
Estimate at completion	Rm	11 802	11 479	323

Note (1) : Subject to conclusion of mine design studies

## Styl drift I Project (continued)

Description	Unit	Mining	Concentrator	Total
Authorised and Contingency	Rm	6,289	1,422	7,711
Escalation	Rm	3,153	938	4,091
<b>Total Nominal</b>	<b>Rm</b>	<b>9,442</b>	<b>2,360</b>	<b>11,802</b>
Total Cost to Date	Rm	1,229	9	1,238
<b>Estimate at Completion</b>	<b>Rm</b>	<b>9,119</b>	<b>2,360</b>	<b>11,479</b>



- Expenditure PTD R1.24 billion
- Committed PTD R1.88 billion
- EAC cost variance R323 million
  - Construction R198 million
  - Professional services R123 million
  - Insurance R2 million
- On track to save R1 billion at project completion

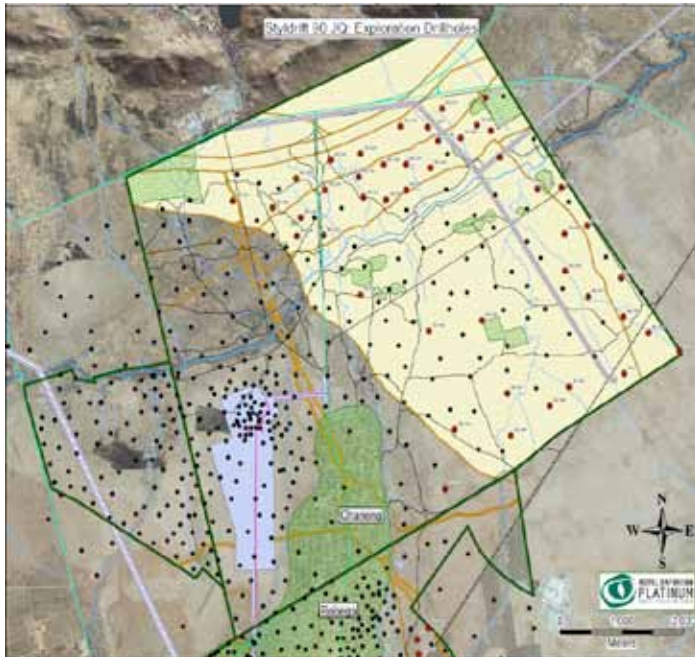
## Styl drift I Project (continued) - Studies

Shaft bottom infrastructure	<ul style="list-style-type: none"> <li>• Deepen main and service shafts by 18m &amp; additional silo</li> <li>- Improved geotechnical environment</li> <li>- UG2 access</li> <li>• 40 million / 5 weeks</li> </ul>
Bord & pillar layout	<ul style="list-style-type: none"> <li>• Complete design - Q1 2012</li> <li>• Impact on operating cost, extraction rates and ramp up profile</li> </ul>
Mining layout	<ul style="list-style-type: none"> <li>• Footwall waste development elevated to reef elevation</li> <li>• Detail design and costing – Q2 2012</li> </ul>
Electric vs. pneumatic vs. hydro power drilling	<ul style="list-style-type: none"> <li>• Trade off study concluded hydro power as preferred method</li> <li>• Technical review - Q1 2012</li> </ul>
U/G personnel transport	<ul style="list-style-type: none"> <li>• Trade off study concluded that chairlifts is the preferred personnel transport method</li> </ul>
594L infrastructure design	<ul style="list-style-type: none"> <li>• Detail design – Q2 2012</li> <li>• Evaluate impact on scope, schedule and costs</li> </ul>




## Styl drift II



















- **Desktop study**
  - Desktop study completed in March 2011
  - Concluded a positive business case
- **Concept study**
  - Concept study completion Q1 2012
  - Reviewing initial capex, ramp-up and opex assumptions
- **Pre-feasibility and feasibility studies**
- **Exploration drilling program**
  - Total of 42 drill holes completed in 2011 equating to 50,342m drilled
    - 168 reef intersections on each reef horizon (1 primary hole + 3 deflections)
    - Existing structural domains confirmed
    - Good correlation with seismic survey data (0.32%)
  - Additional 40 drill holes planned for 2012 equating to 45,000m

A photograph of an industrial facility at night. The scene is dominated by a complex network of steel beams and pipes forming a large, open structure. In the center, there are several large, cylindrical storage tanks or processing units, illuminated by bright lights. The sky is a deep blue, suggesting twilight. The foreground shows a paved area with some low walls or barriers. The overall atmosphere is industrial and modern.

# Financial Review

## Key financial performance indicators

Description	Unit	2011	2010	% Change	% Normalised change
Average basket price	R/Pt oz	<b>16,282</b>	15,555	4.7 	4.7 
Average Rand:US\$ received	R/US\$	<b>7.26</b>	7.30	0.5 	0.5 
Revenue	Rm	<b>2,974.9</b>	2,106.8	41.2 	2.1 
Cost of sales	Rm	<b>2,408.7</b>	1,608.1	49.8 	11.6 
Gross profit	Rm	<b>566.2</b>	498.7	13.5 	19.7 
Operating profit	Rm	<b>516.7</b>	439.7*	17.5 	16.6 
EBITDA	Rm	<b>1,035.5</b>	815.3*	27.0 	6.5 

\* Excludes profit on remeasurement of previously held interest in BRPM

## Key financial performance indicators (continued)



Description	Unit	2011	2010	% Change
Headline earnings	Rm	273.7	270.2	1.3
Weighted average shares outstanding	#m	163.7	141.0	16
HEPS	R/share	1.67	1.91	12.6
<i>Fair Value depreciation and amortisation</i>	R/share	0.52	0.83	
<i>Optimisation project costs</i>	R/share	0.10	0.12	
<i>Income from RPM receivable settlement</i>	R/share	(0.17)	-	
<i>Tax impact of adjustments</i>	R/share	0.02	(0.03)	
Normalised HEPS	R/share	2.14	2.83	24.4
Dividend per share	R/share	-	-	

## Key financial performance indicators (continued)

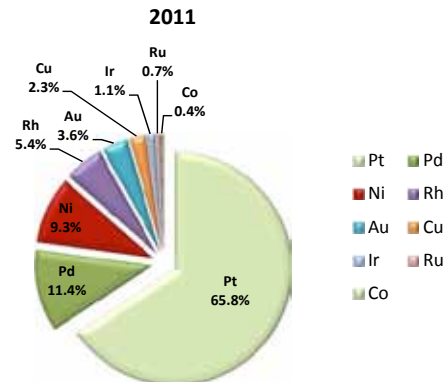
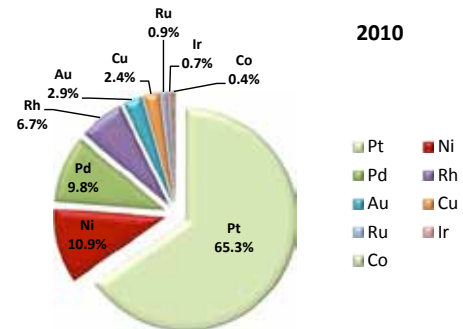


Description	Unit	2011	2010	% Change
Cash generated by operating activities	Rm	1,025.1	785.3	30.5
Cash, net of debt (incl. pref share investment)	Rm	1,364.1	1,150.3	18.6
Capital expenditure (100% BRPM)	Rm	1,163.6	976.1	20.3
Gross profit margin	%	19.0	23.7	19.6
EBITDA margin	%	34.8	38.7	10.1
Net Asset Value (NAV)	R/share	68.9	66.9	3.1

## Revenue contribution by metal

Description	2011 Sales volume	Average price achieved* (US\$)
Platinum (oz)	182,712	1,697/oz
Palladium (oz)	74,820	720/oz
Gold (oz)	9,806	1,716/oz
Rhodium (oz)	14,260	1,789/oz
Iridium (oz)	4,762	1,095/oz
Ruthenium (oz)	24,475	137/oz
Nickel (tonne)	2,071	9.63/lb
Copper (tonne)	1,302	3.82/lb

\* Grossed up to 100% from amount received in terms of disposal of concentrate agreement , excludes pipeline revaluation.



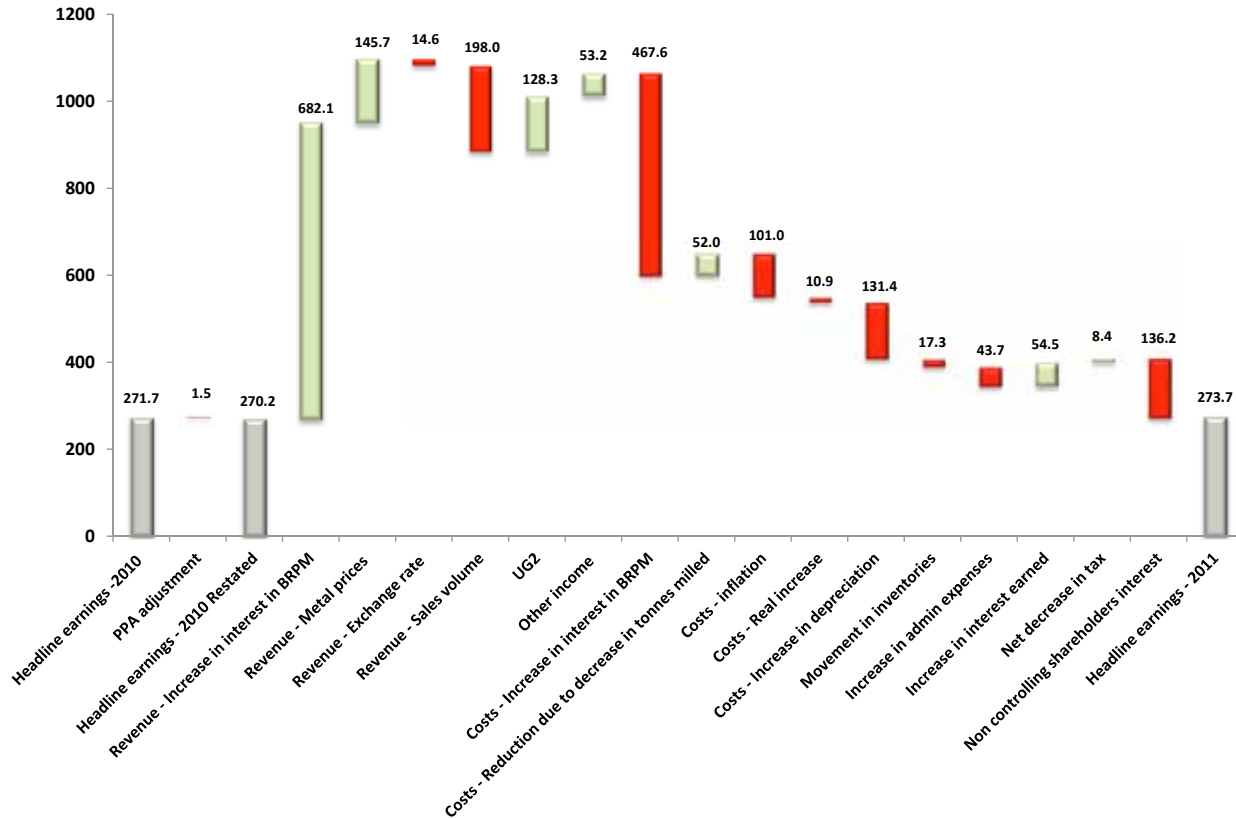
## Cost of sales breakdown



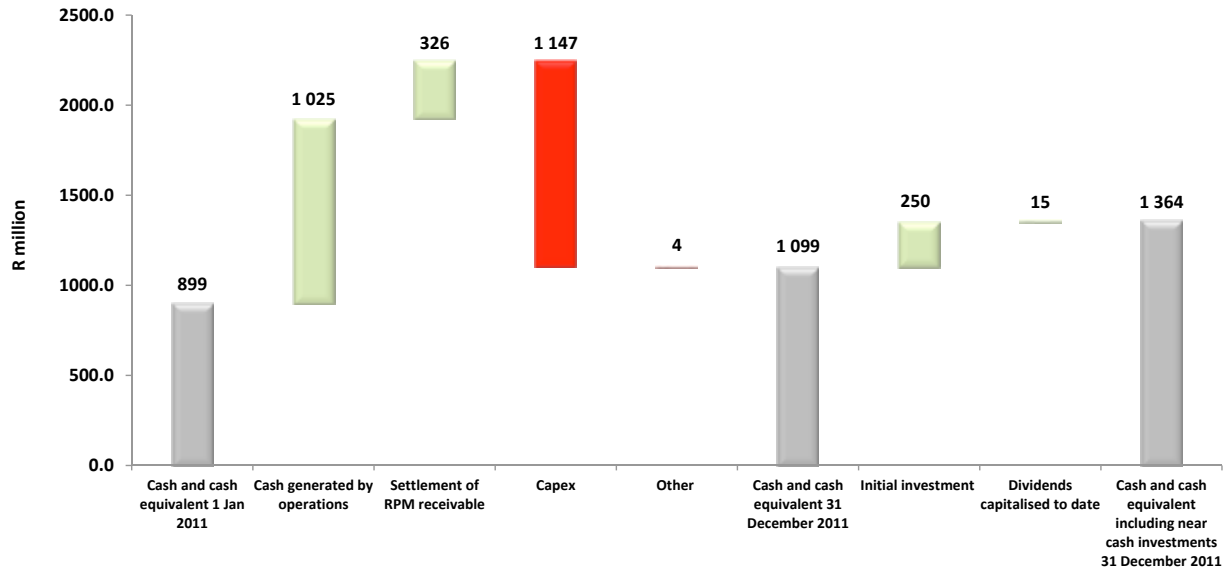
Description	2011 R million	2011 % of Total	2010 R million	2010 % of Total
Labour	673.9	35.7%	489.5	39.7%
Utilities	144.5	7.6%	87.6	7.1%
Contractor costs	377.0	19.9%	264.1	21.4%
Materials and other mining costs	583.3	30.9%	377.6	30.6%
<b>Total cash costs excl once-off costs</b>	<b>1,778.7</b>	<b>94.1%</b>	<b>1,218.8</b>	<b>98.9%</b>
Movements in inventories	23.3	1.2%	(15.0)	-1.2%
Other costs	88.4	4.7%	28.7	2.3%
<b>Cost of sales (excl. depreciation and amortisation)</b>	<b>1,890.4</b>	<b>100.0%</b>	<b>1,232.5</b>	<b>100.0%</b>

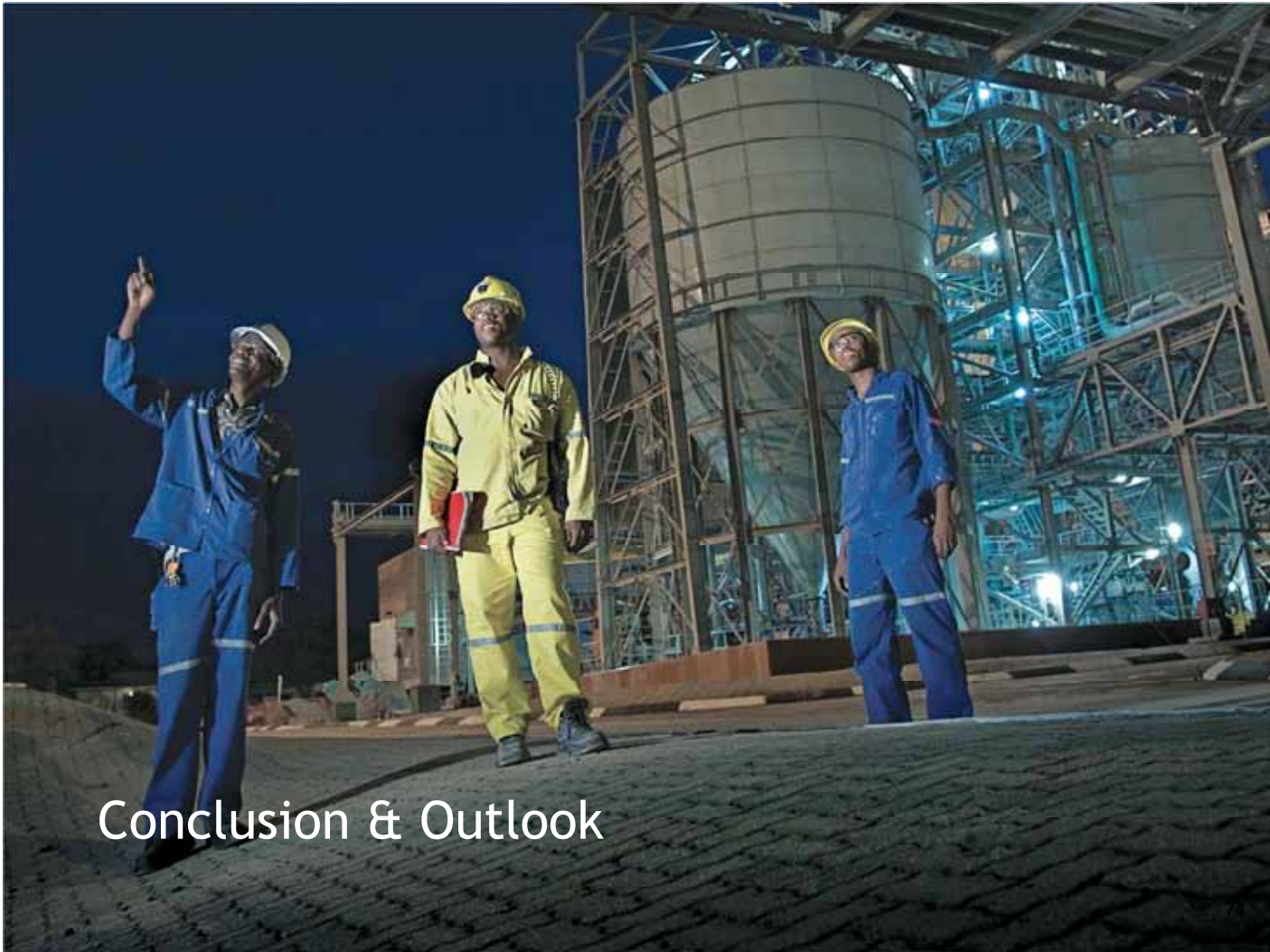


# Headline earnings variance analysis



# Cash flow analysis





# Conclusion & Outlook

## Challenging year ahead

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- Downgrading of demand growth due to weaker macro economic outlook
- Medium-term demand fundamentals remain overwhelmingly in favour of palladium
- Cost reduction remains key focus
- Safety performance encouraging
- Styl drift I shaft sinking gains momentum and project below budget



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