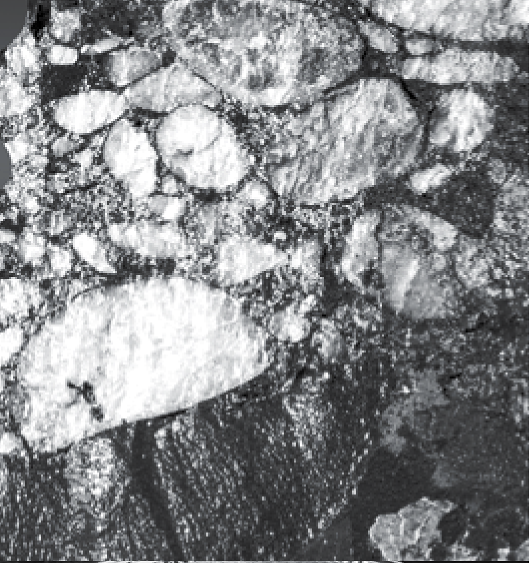


we are one
Sibanye Stillwater

INTEGRATED ANNUAL REPORT

2017

HIGHLIGHTS 2017

Sibanye-Stillwater, a unique global precious metals producer

47%

Growth in revenue year on year reflecting Sibanye-Stillwater's transformation into a global precious metals company

14%

Improvement in safety performance (serious injury frequency rate – SIFR) in the Southern Africa region

R1bn

Savings achieved from synergies implemented at the PGM operations in the Southern Africa region

37%

Fewer environmental incidents (level 3+) reported in the Southern Africa region

This Integrated Annual Report 2017, together with the other reports produced for the financial year from 1 January 2017 to 31 December 2017, covers Sibanye-Stillwater's progress and achievements in delivering on our strategic objectives and commitment to creating stakeholder value. This integrated report should be read in conjunction with:

SUMMARISED REPORT 2017 AND NOTICE OF ANNUAL GENERAL MEETING

MINERAL RESOURCES AND MINERAL RESERVES REPORT 2017

ANNUAL FINANCIAL REPORT 2017

COMPANY FINANCIAL STATEMENTS 2017

This symbol indicates that additional information is available on a particular topic on Sibanye-Stillwater's corporate website: www.sibanyestillwater.com

The full set of 2017 reports and all supplementary documents are available online at the corporate website

Front cover photograph of 2017 Krugerrand provided courtesy of Rand Refinery (Pty) Limited

CONTENTS

BOARD RESPONSIBILITY AND APPROVAL STATEMENT

The Board, assisted by the Audit Committee, has ultimate accountability for this integrated report and for overseeing and ensuring the integrity and completeness of the information presented. The Board, having applied its collective mind and expertise, determined that the information presented in this report represents a fair and transparent review of Sibanye-Stillwater, its current profile and performance, and of its ability to create value in the short, medium and long term.

This integrated report, which is presented in accordance with the International Integrated Reporting Framework, was approved by the Board on 29 March 2018 and signed on its behalf by:

Sello Moloko
Chairman

Neal Froneman
Chief Executive Officer

Charl Keyter
Chief financial officer

Keith Rayner
Audit Committee: Chairman

SECTION

01

REPORTING COMPLIANCE

The following frameworks, guidelines and requirements have been applied, where relevant in compiling this integrated report and the entire suite of 2017 reports:

- International Integrated Reporting Framework
- Global Reporting Initiative (GRI) G4
- King Report on Governance for South Africa 2016 (King IV)
- South African Companies Act, 71 of 2008 (the Companies Act)
- JSE Listings Requirements
- South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code)
- Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (Mining Charter) (2002) and related scorecard (2004)
- Amendments to the Mining Charter (2010) and related scorecard (2010)
- Social and Labour Plans (SLPs) – in terms of the requirements of the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA)
- International Council on Mining and Metals (ICMM)
- United Nations Global Compact (UNGC)
- Greenhouse Gas (GHG) Protocol
- Sustainability Accounting Standards Board's (SASB) standards
- FTSE/JSE Responsible Investment Index
- International Financial Reporting Standards (IFRS)
- South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides
- United States Securities and Exchange Commission (SEC) regulations, including the Industry Guide 7 for the Reporting of Mineral Reserves

The required disclosure is included in this integrated report or in the supplementary reports and documents available online at www.sibanyestillwater.com

ABOUT THIS REPORT

This integrated report covers the operational, financial and non-financial performance of the operations and activities of Sibanye Gold Limited, trading as Sibanye-Stillwater (Sibanye-Stillwater). It provides stakeholders with transparent insight into our strategy, our business and performance, and the progress made in delivering on our strategic objectives and our commitment to creating stakeholder value during the year to 31 December 2017. This report, which includes sustainable development-related information, is the primary report in our 2017 suite of reports and takes note of any material events since year-end and the date of approval by the Board.

In addition, a Form 20-F is filed with the United States SEC. In producing its suite of reports and the Form 20-F for 2017, Sibanye-Stillwater complies with the requirements of the exchanges on which it is listed, namely the Johannesburg Stock Exchange (JSE) and the New York Stock Exchange (NYSE).

SCOPE AND BOUNDARY

The scope and boundary of this report have been amended to take into account the regional organisational restructuring undertaken following the significant transformation the Group has undergone in the past two years (see *Corporate profile*) in order to ensure continued delivery on its strategic operating objectives.

Sibanye-Stillwater's operating assets are grouped regionally as follows:

Southern Africa (SA) region – gold and platinum group metal (PGM) mining operations and projects

United States (US) region – PGM mining operations and projects

Annual comparative data is provided where applicable. For the 2017 financial year, annual data is provided where possible by region, type of operation and at group level.

Note that the annual data provided at group-level for 2013 to 2015 is now comparable to that for the SA region's gold operations for 2016 and 2017. Where data for previous years has been restated, this is indicated.

The 2016 data reported for the Platinum Division is now comparable to that reported for the SA region's PGM operations, with Kroondal, Mimosa and Platinum Mile included for nine months of 2016 and the Rustenburg operation for two months. These operations were included for the full 12 months in 2017.

The US region's PGM assets are those of the Stillwater Mining Company (Stillwater) which were acquired effective May 2017 and are thus included for eight months of the year (unless otherwise specified).

REPORTING PHILOSOPHY

In this integrated report, our primary report, the information provided is intended to inform stakeholders about Sibanye-Stillwater's operating and financial performance and progress made in delivering on our strategy. While the principal audience for this report is investors and shareholders, we recognise that there are other stakeholders who have varied and specific information requirements, many of which we aim to fulfil, particularly as we do not produce a separate sustainable development report. Instead all non-financial reporting is either included in this integrated report or is available on the website, where referenced.

We have endeavoured to build on the information provided in the 2016 integrated report. This report describes what we accomplished in 2017 to create value, to improve lives and to achieve our strategic objectives. In so doing, we give an account of the impact of our activities and, more importantly, of those factors and risks, both in the external environment and internally, that have had an impact on our ability to achieve our strategic objectives and to create superior value in the past year. The process to determine the most material of these is described on page 36.

This report is intended to enable stakeholders to determine whether the material issues identified will affect the sustainability of Sibanye-Stillwater's business and its ability to create and sustain value in the short, medium and long term.

APPROVAL AND ASSURANCE

Sibanye-Stillwater's internal audit function provides an objective evaluation of the Group's internal control processes and systems that have been devised to mitigate business risks and has ensured the accuracy of the information presented in these reports.

Independent external assurance provider, KPMG Services Proprietary Limited (KPMG Services), provided limited assurance on selected sustainability performance indicators in accordance with the International Standards on Assurance Engagements (ISAE) 3000. KPMG Services' Statement of Assurance can be found on page 163.

FEEDBACK

We would appreciate your feedback on these reports. Please send any comments you might have on the usefulness and relevance of this report to:

James Wellsted
Senior Vice President: Investor Relations
Email: james.wellsted@sibanyestillwater.com

Henrika Ninham
Manager: Investor Relations
Email: henrika.ninham@sibanyestillwater.com

CORPORATE PROFILE

Sibanye-Stillwater, an independent, global, precious metals mining company, produces a unique mix of metals that includes gold and PGMs.

Globally, Sibanye-Stillwater, is the third largest producer of platinum and palladium, and features among the world's top gold producing companies.

Domiciled in South Africa, Sibanye-Stillwater owns and operates a portfolio of high-quality operations and projects, which are located and managed in two regions: the Southern Africa (SA) region and the United States (US) region.

TRANSFORMING OUR COMPANY

Since its establishment in 2013, the company has transformed itself, geographically and by metal produced. From being a South African gold mining company, Sibanye-Stillwater is now an internationally competitive, diversified precious metals miner producing gold and PGMs. With the formal acquisition of Stillwater in May 2017, Sibanye Gold Limited was rebranded as Sibanye-Stillwater.

Our planned growth momentum continued in 2017 with the announcements towards year-end of the proposed acquisition of Lonmin plc (Lonmin), one of the largest PGM producers in South Africa, and the vending of certain of Sibanye-Stillwater's surface gold tailings facilities and processing assets into DRDGOLD Limited (DRDGOLD), a world leader in the field, for a 38% shareholding.

OUR VALUE-CREATION JOURNEY

2013

South African gold mining company with mature, short-life operations

- Implemented our operating model and reduced costs to:
  - improve flexibility and quality of mining
  - increase reserves
  - extend operating life
  - reduce debt/gearing
  - deliver consistent industry-leading returns

ENTERPRISE VALUE[1]
R10 billion

2016

Entry into the Southern African PGM sector

- Value-accretive acquisitions at a low point in the PGM price cycle
- Innovative financing of strategic growth enhances value
- Implemented our operating model at the newly acquired PGM assets
- Consolidation synergies yielding superior value

ENTERPRISE VALUE
R32 billion

2017

Becoming a global, precious metals miner

- Stillwater acquisition leads to creation of a globally competitive, South African-based mining company
- Successful refinancing of the bridge loan and US$1 billion rights offer, the US$1.05 billion bond issue and the US$450 million convertible bond

ENTERPRISE VALUE
R58 billion

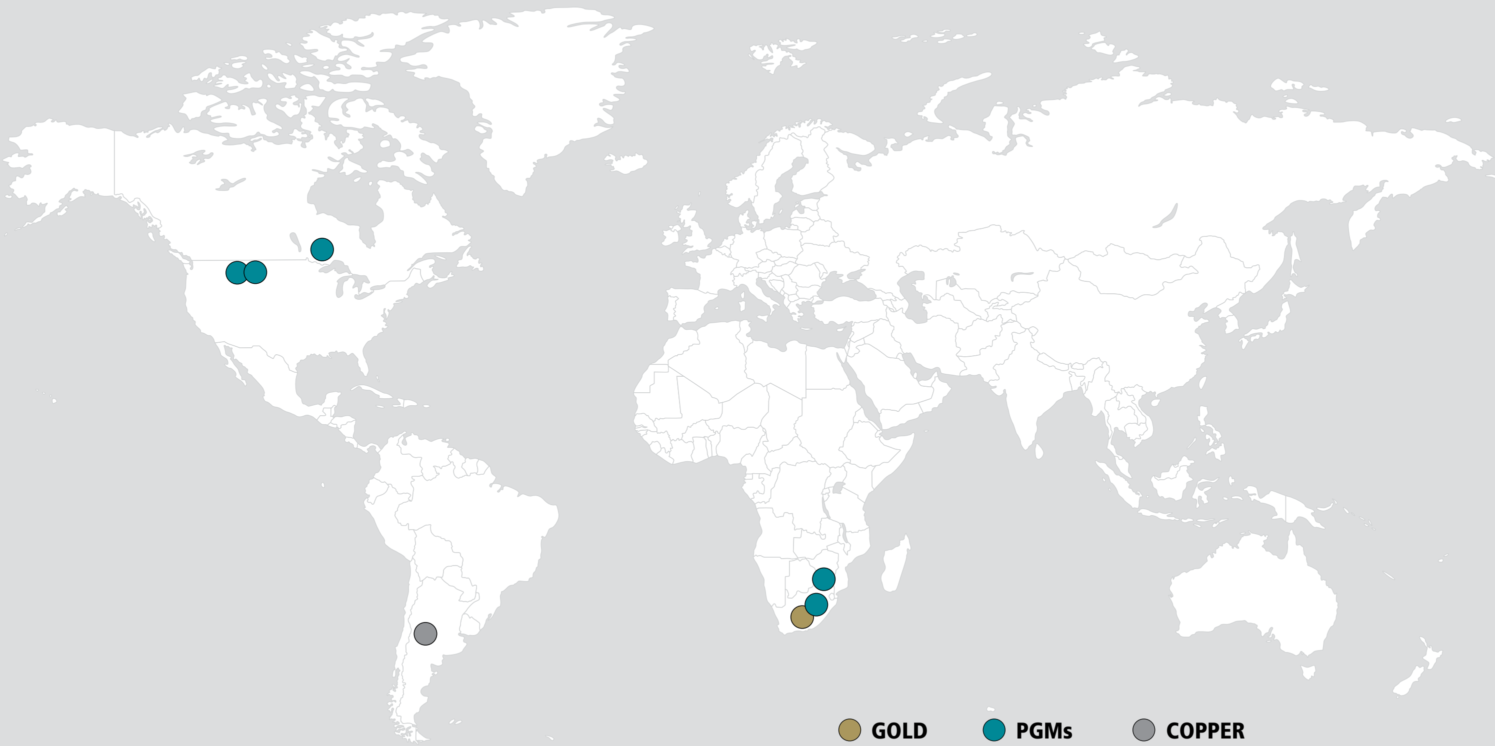
2018

Our value-creation journey continues…

- Awaiting formal approval of:
  - Proposed acquisition of Lonmin
  - Planned partnership with DRDGOLD on retreatment of surface gold tailings

[1] *Enterprise value, or EV, is a measure of a company's total value, often used as a more comprehensive alternative to equity market capitalisation. Enterprise value is calculated as the market capitalisation plus debt and minority interests and preferred shares, minus total cash and cash equivalents. It is calculated as at 31 December of each year*

LOCATION OF OUR OPERATIONS AND PROJECTS



SOUTHERN AFRICA REGION

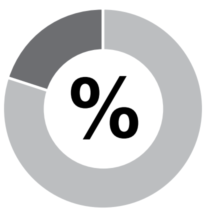
GOLD OPERATIONS	Beatrix	Driefontein	Kloof
PGM OPERATIONS	Kroondal (50%)	Mimosa (50%)	
	Rustenburg operations	Platinum Mile (91.7%)	
GOLD PROJECTS	Burnstone	Southern Free State Projects	West Rand Tailings Retreatment Project
PGM PROJECTS	Hoedspruit	Zondernaam	Vygenhoek

In South Africa, our gold producing assets and projects are located throughout the Witwatersrand Basin and our PGM assets are on the southern portion of the western limb of the Bushveld Complex, near Rustenburg. Mimosa, in the south of the Great Dyke in Zimbabwe, is a PGM-joint venture with Impala Platinum Holdings Limited (Implats).

UNITED STATES REGION

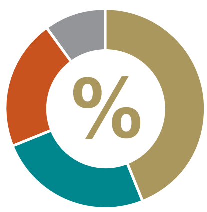
PGM OPERATIONS	East Boulder	Stillwater (including Blitz)	Columbus Metallurgical Complex
PROJECTS	Marathon (Canada)	Altar (Argentina)	

Our PGM-producing assets are located in a geological formation, the J-M Reef, in south-central Montana. The J-M Reef, the only known significant source of PGMs in the United States, is the highest-grade PGM deposit known in the world.



Revenue by region – 2017

Southern Africa region	**80%**
United States region	**20%**



Production by metal (oz) – 2017

Gold	**44%**	Platinum	**25%**
Palladium	**21%**	Other PGMs	**10%**

CORPORATE PROFILE CONTINUED

LISTINGS

Sibanye-Stillwater has its primary listing on the JSE, South Africa, where it is included in the FTSE/JSE Responsible Investment Index. The company is also listed on the NYSE, with its shares quoted as American Depositary Receipts (ADRs). For further details, see Shareholder information as well as our corporate website, www.sibanyestillwater.com.

At 31 December 2017, Sibanye-Stillwater's market capitalisation was R34.3 billion; US$2.7 billion (2016: R23.6 billion; US$1.7 billion).

OUR PRODUCTS

Gold

In our SA region, Sibanye-Stillwater mines, extracts and processes gold-bearing ore to produce a beneficiated product, doré, which is then refined further at Rand Refinery Proprietary Limited (Rand Refinery) into gold bars with a purity of at least 99.5% in accordance with the London Bullion Market Association's standards of Good Delivery. Sibanye-Stillwater holds a 33% interest in Rand Refinery, one of the largest global refiners of gold, and the largest in Africa, which then markets and sells the refined gold on international markets to customers around the world.

The main sources of demand for gold are as a store of value (such as central bank holdings), as an investment (exchange traded funds, bars and coins), for jewellery and for various industrial purposes.

Platinum group metals

At our PGM operations in South Africa and Zimbabwe, the primary PGMs produced are platinum, palladium and rhodium, which together with the gold occurring as a co-product, are referred to as 4E (3PGM+Au), by ratio approximately 58% platinum (Pt), 32% palladium (Pd), 8% rhodium (Rh) and 2% gold (Au). The PGM-bearing ore mined here is processed to produce PGMs-in-concentrate, which is currently processed further by third parties.

The US operations primarily produce palladium and platinum (78% Pd and 22% Pt), which are referred to as 2E (or 2PGM). The PGM-bearing ore mined is processed, smelted and refined to produce a PGM-rich filter cake. A third party refines the filter cake further.

The major sources of demand for PGMs are for autocatalytic convertors and jewellery. Together, these two areas account for around 72% of platinum demand while, for palladium, autocatalytic convertors account for 80% of demand for that metal.*

** Source: Johnson Matthey*

By-products

At our PGM operations, the minor PGMs – iridium and ruthenium – are produced as co-products. They, together with the three primary PGMs, are referred to as 6E (5PGM+Au).

In addition, at the SA PGM operations, nickel, copper and chrome, among other minerals, are produced as by-products.

OUR VISION AND STRATEGY EXPLAINED

OUR CORE PURPOSE

Sibanye-Stillwater's mining improves lives

OUR VALUE PROPOSITION

EMPLOYEES

By providing employment, Sibanye-Stillwater enables those employed to earn an income, acquire skills and, with training and development, to advance in a work environment where their safety, health and wellbeing are priorities.

SHAREHOLDERS

Sibanye-Stillwater delivers value to shareholders by delivering superior returns through capital appreciation, spurred by operational efficiency, cost-efficient capital management and acquisitive growth.

COMMUNITIES

Sibanye-Stillwater contributes to communities, broader society (including suppliers), and the economy by investing in socio-economic development initiatives, employing those who reside in the vicinity of our operations and through preferential local procurement.

GOVERNMENT

Sibanye-Stillwater contributes directly to the national fiscus by way of taxes and royalties paid, enabling government to provide social infrastructure and services. We also contribute indirectly through the payment by employees of personal income tax and of municipal rates and taxes.

In living our values, we show that we care about safe production, our stakeholders, our environment, our company and our future. Our approach is holistic. We are focused on delivery on all strategic imperatives critical to Sibanye-Stillwater's long-term success.

OUR VISION

Superior value creation for all our stakeholders through the responsible mining and beneficiation of our mineral resources.

OUR STRATEGY

In order to deliver on our vision to create superior value and improve lives, Sibanye-Stillwater aims to deliver sustained, positive cash flows to ensure robust profitability throughout the commodity cycle.

OUR THREE-YEAR STRATEGIC GOAL

To strengthen our position as a leading international precious metals mining company by:

- Deleveraging our balance sheet
- Maintaining our focus on operational excellence
- Addressing our South African discount
- Consistently delivering on our market commitments
- Pursuing value-accretive growth based on a strengthened equity rating
- Improving our position on the global industry cost curves

OUR FOUR-STEP VALUE-ACCRETIVE PGM STRATEGY

April 2016

AQUARIUS

- Our first entry into the PGM sector was the acquisition of Aquarius Platinum Limited (Aquarius) and its Kroondal, Platinum Mile and Mimosa assets in Southern Africa
- Aquarius managed efficient and productive assets
- Since acquisition, these assets have increased their levels of operational performance

November 2016

RUSTENBURG OPERATION

- Acquired the Rustenburg operation, located adjacent to Aquarius' Kroondal mine, from Anglo American Platinum
- A smart transaction structured to reduce risk and aligned with our outlook for the platinum price
- Enabled realisation of significant synergies with Aquarius assets and Sibanye-Stillwater
- Costs and operational synergies of more than R1 billion were achieved within 14 months, exceeding plan both in extent and time (R800m over three-four years)

At the end of 2016, Sibanye-Stillwater's PGM (4E) Mineral Reserves totalled **23.2Moz** and PGM (4E) Mineral Resources **126.5Moz**

May 2017

STILLWATER

- Acquired high-grade, low-cost assets and a world-class growth project
- A palladium producer primarily, providing upside to a robust market
- Facilitated geographic, commodity and currency diversification
- Significant growth potential from the lower East Boulder and lower Blitz projects as well as from the 12.2km mineralised section between the Stillwater and East Boulder mines

At the end of 2017, PGM assets totalled:

2E: Mineral Reserves of **21.9Moz** and Mineral Resources of **84.5Moz**

4E: Mineral Reserves of **22.4Moz** and Mineral Resources of **122.1Moz**

2018

PROPOSED ACQUISITION OF LONMIN[1]

- Proposed acquisition announced on 14 December 2017
- Located adjacent to our current PGM operations in South Africa
- Potential to realise significant synergies
- Given its smelting and refining facilities, this acquisition is aligned with our mine-to-market strategy for the SA region
- Replacement value of smelting and refining facilities significantly exceeds acquisition cost
- Sizeable resource provides long-term optionality from advanced brownfield and greenfield project pipeline
- Subject to Competition Commission and shareholder approval

Lonmin has a PGM Mineral Reserve of **31.8Moz** and a Mineral Resource of **178.3Moz** (as at 30 September 2017)

Should the Lonmin acquisition be successful, Sibanye-Stillwater will be the second largest producer of platinum and palladium in the world.

[1] *The full announcement is available at www.sibanyestillwater.com/investors/transactions/lonmin*

HOW WE CREATE VALUE

Sibanye-Stillwater has a portfolio of gold and PGM assets that will enable it to sustainably conduct its business as a precious metals miner for many years. We conduct our business in a world in which various external factors have an impact, whether positive or negative, on the viability of our business.

Managing these factors and their related risks is vital to our business continuity. In addition, our mining activities have an impact on: the environment, people, employees and local communities, and broader society. We build and maintain relationships with stakeholders to minimise and manage our risk. Our CARES values, governance framework and code of ethics, which speak to our role as a responsible corporate citizen, underpin all that we do.

OUR ASSETS

To ensure sustainable value creation, Sibanye-Stillwater has established a unique, global, diversified and long-life portfolio of precious metal assets.

Sibanye-Stillwater is:

- a top three global producer of platinum and palladium
- the largest primary producer of palladium globally
- a leading recycler of PGMs globally
- the largest gold producer in South Africa

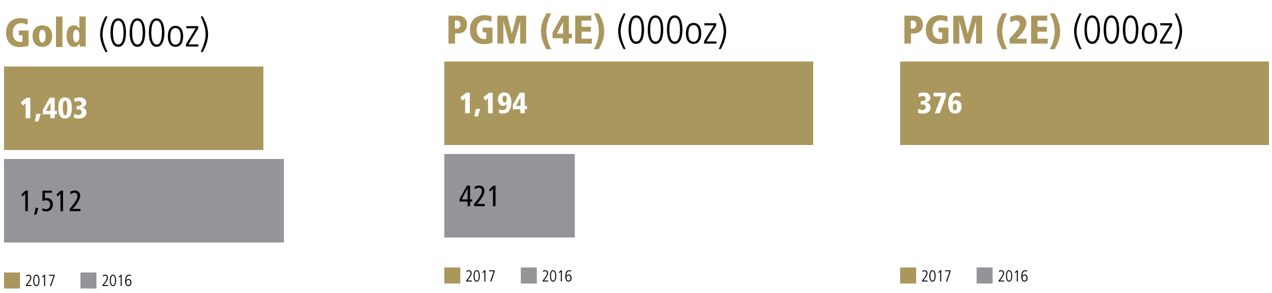
OUR PRIMARY BUSINESS ACTIVITIES

- Mining underground and surface resources
- Processing and refining ore mined
- PGM recycling
- Sale of end products
- Acquiring new, value-accretive assets
- Supported by:
  - Community and social development initiatives
  - Environmental management and land rehabilitation

WE CREATE VALUE BY

- Identifying value-accretive acquisition opportunities that are innovatively financed to optimise value for stakeholders
- Focusing on safety, productivity, cost discipline and optimising operating capital so as to contribute to positive cash flows and, ultimately, to value creation
- Investing in value-accretive organic growth projects to extend operating lives and optimise return on capital

ATTRIBUTABLE OUTPUT 2017 VERSUS 2016



OPERATING CONTEXT AND RISK

- Robust processes and systems are in place to identify and manage those factors likely to have a significant impact on our ability to create value
- These systems and processes are supported by internal controls that ensure our response to mitigate any impact is effective and timely
- Our top material risks have been identified, together with corresponding opportunities, see *Material risks and opportunities*

ENGAGING WITH STAKEHOLDERS

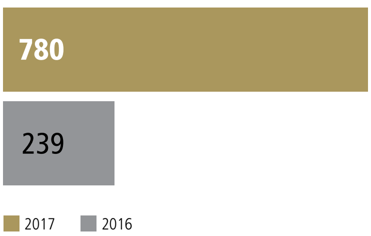
- Stakeholder engagement is critical both to the stability and sustainability of our business
- Developing and maintaining constructive, positive relationships with stakeholders helps to ensure we maintain our social licence to operate

GOVERNANCE

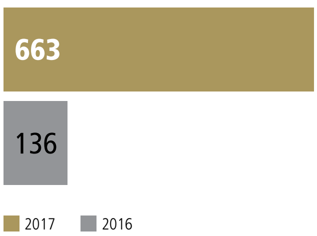
Our strong, principled governance framework, underpinned by our values, is aimed at ensuring:

- the long-term viability of our business to sustain value creation
- that we conduct our business ethically for the benefit of all stakeholders (*see Corporate governance)*

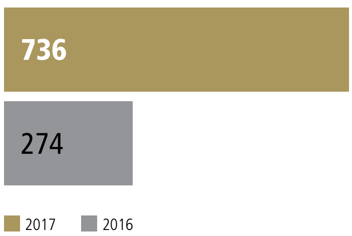
Platinum (000oz)



Palladium (000oz)



Chrome (000t)



HOW WE CREATE VALUE CONTINUED

CAPITAL RESOURCES USED, OUTCOMES AND IMPACTS – 2017

In 2017, Sibanye-Stillwater …

.. used: … did the following:

HUMAN AND INTELLECTUAL CAPITAL

A skilled, motivated workforce, supported by training and development and relevant technologies, enhances our operational efficiency; we have a framework of policies, systems and processes in place to ensure employee safety, health and wellbeing

- Employed **66,472** (2016: 74,531) people (including contractors) – decline in total employee numbers from 2016 was due to cost optimisation undertaken that included retrenchment and downscaling of selected gold and PGM operations in the SA region
- Prioritised employee engagement at newly-acquired assets
- Initiated safety awareness campaigns and enhanced monitoring of safety compliance

FINANCIAL CAPITAL

Funds operating expenses, training and development, acquisition of natural resources and mining infrastructure, land rehabilitation, socio-economic initiatives and enhances the performance of manufactured capital.

Availability of financial capital – is achieved through ensuring the right combination of equity, debt and operating cash flows –its efficient management is critical

- Had cash and cash equivalents of **R968m** at the beginning of the year
- Acquired Stillwater for **US$2.2bn (R29.3bn at R13.31/US$)**
- Raised **US$2.65 billion** bridge loan to conclude acquisition.
- Net debt: adjusted EBITDA of **2.6 times** following refinancing
- Began the year with an enterprise value of **R32bn**

NATURAL CAPITAL

Sustainable operations profitably accessing/exploiting natural resources – economically viable orebodies – is fundamental to the sustainability of our business. In addition, natural resources – land, water, air – are impacted by our mining and processing activities

- Acquired PGM reserves (2E) of **21.903Moz** with the Stillwater acquisition
- Deposited **39.36Mt** of waste (2016: 32.61Mt)
- Replaced a substantial portion of depleted Mineral Reserves in the SA region, a result of mining and the removal of Cooke, under a tighter set of economic parameters, thus maintaining a sustainable production profile
- Completed almost **20km** of ore reserve development across the Group
- Energy consumption was higher at **6.01TWh** (2016: 4.72TWh), largely due to inclusion of SA PGM operations for full year, and acquisition of US PGM operations

SOCIAL AND RELATIONSHIP CAPITAL

Given mining's impact, stakeholder alignment is essential for operational sustainability and our ability to continue to deliver value to all our stakeholders. Honest, transparent stakeholder engagement ensures that we earn and maintain our social and legal licences to operate

- Engaged with key stakeholders on:
  - Mining Charter
  - Proposed acquisitions
  - Occupational lung disease
  - Community development
  - Safety
- Continued with remaining SLP projects

MANUFACTURED CAPITAL

Acquiring, maintaining and developing the infrastructure (plant, property and equipment) required by a mining company and optimised processes are essential to cost-efficient operations

- Spent **R1.3bn** at group level on sustaining capital, including maintenance, of which R1.1bn was in the SA region
- Spent **R593m** on growth projects in the SA region
- Acquisition of the Stillwater and East Boulder mines, the Blitz project and the Columbus Metallurgical Complex
- Announced proposed acquisition of additional PGM assets (Lonmin) and of potential gold tailings retreatment partnership with DRDGOLD

For further information and detail on these capitals, see the relevant sections within this report

Various capital resources are used and affected during the conduct of our mining activities and in producing gold and PGMs. These capital resources, which are interdependent, are critical sustaining business and creating value

… achieved these milestones:

- Improved safety performance:
  Fatalities: **11** (2016: 14)
  LTIFR: **5.78** per million hours worked (2016: 6.62)
- **79.6** hours of training and skills development on average per employee in the SA region
- Improved gender diversity: **13%** of employees are female (2016: 12%)
- Successfully implemented our organisational model and rolled out our values at newly acquired operations
- Wage agreements finalised at Kroondal, Stillwater and East Boulder
- Continued to progress the executive leadership development programme to ensure solid effective leadership

- Generated revenue of **R46bn** from sales of metals produced (2016: R31bn)
- Incurred cost of sales of **R36bn** (2016: R25bn)
- Capital expenditure of **R6.1bn** (2016: 4.1bn) for the Group
- Bridge loan successfully refinanced through a **US$1 billion** equity rights issue, **US$1.05 billion** corporate bonds and **US$450 million** convertible instruments, thereby ensuring a more appropriate capital structure
- Debt of **R26.0bn** (2016: R6.3bn)

- Mined/milled **36.08Mt** of ore in total
- Reported a **37%** reduction in environmental incidents in the SA region
- Reduced energy intensity and GHG emissions by **43%** and **41%** respectively – the reduction was due to Cooke being placed on care and maintenance, the inclusion of SA PGM operations for a full year and acquisition of US PGM operations
- Reduced potable water consumption of **18,284Ml** in the SA region (2016: 19,663Ml)

- The Good Neighbour Agreement in force in the US region is a good example of how co-operation with stakeholders can be beneficial to maintaining a social licence to operate – aspects of which will be applied in the SA region
- Enterprise development centres being established in the SA region to promote and assist with sustained economic activity in communities

- Blitz project commissioned three months ahead of schedule
- Repositioned and diversified the Group geographically, operationally and with regard to product mix
- Invested **R13m** in research and development
- Invested **R395m** on further development of Burnstone

… created value:

- Paid salaries and wages paid to employees totaling **R18.5bn** (2016: R9.3bn) equivalent to **42%** of cost of sales before amortisation and depreciation
- Spent **R549m** on training and development across the Group (2016: R403m), including **R17.3m (US$1.3m)** in the US region. The increase is mainly due to inclusion of SA PGM operations for 12 months in 2017 versus partial inclusion in 2016
- Began second phase of the Care for iMali indebtedness programme at the SA gold operations and by year-end, had reduced illegal garnishee deductions by **R1.34m** since 2015
- Improved health and wellbeing of employees – **12%** decline in TB incidence (new and relapse) in the SA region

- Had cash and cash equivalents of **R2,062m** at year end
- Acquisitions and capital restructuring has better positioned the company to unlock and create future value
- Ended the year with an enterprise value of **R58bn**

- With the acquisition of Stillwater have increased 2E PGM Mineral Reserves and Mineral Resources by **21.903Moz** and **84.4Moz** respectively
- DRDGOLD transaction establishes a commercial vehicle suited to securing long-term environmentally friendly tailings deposition on the West Rand

- Paid **R903m** to governments in taxes and royalties (2016: R1,733m)
- Invested **R1,161m** in socio-economic development, of which **R1,159m** was in the SA region (2016: R656m)
- Procurement spend of **R24.7bn**
- BEE procurement spend in the SA region of **R10.6bn** or **79%** of discretionary spend (2016: R7.6bn or 77% respectively)

- Created a unique, leading, global precious metals producer
- Became a top three global PGM producer
- Plans in place to establish a full mine-to-market pipeline for PGM operations in the SA region

FIVE-YEAR STATISTICAL REVIEW

OPERATING STATISTICS

		2017	[1] 2016	2015	[2] 2014	[3] 2013
SOUTHERN AFRICA REGION						
Gold operations						
Production						
Ore milled	000t	**19,030**	20,181	19,861	18,325	13,624
Gold produced	kg	**43,634**	47,034	47,775	49,432	44,474
	000oz	**1,403**	1,512	1,536	1,589	1,430
Price and costs						
Gold price	R/kg	**536,378**	586,319	475,508	440,615	434,663
	US$/oz	**1,254**	1,242	1,160	1,267	1,408
Operating cost	R/t	**937**	862	825	785	879
Adjusted EBITDA [4]	R million	**5,309**	9,920	6,235	7,360	7,232
Adjusted EBITDA margin [5]	%	**23**	36	27	34	37
All-in sustaining cost [6]	R/kg	**482,693**	450,152	422,472	372,492	354,376
	US$/oz	**1,128**	954	1,031	1,071	1,148
All-in sustaining cost margin [7]	%	**10**	23	11	15	18
All-in cost [6]	R/kg	**501,620**	472,585	430,746	375,854	354,376
	US$/oz	**1,173**	1,002	1,051	1,080	1,148
All-in cost margin [8]	%	**6**	19	9	15	18
Capital expenditure						
Total capital expenditure	R million	**3,410**	3,824	3,345	3,251	2,902
	US$ million	**256**	261	262	300	302
PGM operations (attributable) [18]						
Production						
Ore milled	000t	**26,196**	11,612			
Platinum produced	kg	**21,616**	7,423			
	000oz	**695**	239			
Palladium produced	kg	**11,577**	4,235			
	000oz	**372**	136			
4E PGM production	kg	**37,148**	13,087			
	000oz	**1,194**	421			
Price and costs [9]						
Average PGM basket price	R/4Eoz	**12,534**	12,209			
	US$/4Eoz	**942**	832			
Operating cost	R/4Eoz	**10,831**	7,993			
	US$/4Eoz	**814**	545			
Adjusted EBITDA [4]	R million	**1,594**	350			
Adjusted EBITDA margin [5]	%	**12**	9			
All-in sustaining cost [6]	R/4Eoz	**10,399**	10,403			
	US$/4Eoz	**782**	709			
All-in sustaining cost margin [7]	%	**16**	8			
All-in cost	R/4Eoz	**10,401**	10,403			
	US$/4Eoz	**782**	709			
All-in cost margin [8]	%	**16**	8			
Capital expenditure						
Total capital expenditure	R million	**1,035**	327			
	US$ million	**78**	23			

See pages 16 and 19 for footnotes

OPERATING STATISTICS CONTINUED

		2017	[1] 2016	2015	[2] 2014	[3] 2013
UNITED STATES REGION						
PGM operations						
Production						
Ore milled	000t	**855**				
Platinum produced	kg	**2,651**				
	000oz	**85**				
Palladium produced	kg	**9,055**				
	000oz	**291**				
2E PGM production	kg	**11,706**				
	000oz	**376**				
Price and costs						
Average PGM basket price	R/2Eoz	**12,330**				
	US$/2Eoz	**927**				
Operating cost	R/2Eoz	**7,001**				
	US$/2Eoz	**526**				
Adjusted EBITDA [4]	R million	**2,143**				
Adjusted EBITDA margin [5]	%	**23**				
All-in sustaining cost [6]	R/2Eoz	**8,707**				
	US$/2Eoz	**651**				
All-in sustaining cost margin [7]	%	**29**				
All-in cost [6]	R/2Eoz	**11,097**				
	US$/2Eoz	**821**				
All-in cost margin [8]	%	**10**				
Capital expenditure						
Total capital expenditure	R million	**1,654**				
	US$ million	**124**				

GROUP FINANCIAL STATISTICS

		2017	[1] 2016	2015	[2] 2014	[3] 2013
Income statement (extract)						
Revenue	R million	**45,912**	31,241	22,717	21,781	19,331
Adjusted EBITDA [4]	R million	**9,045**	10,270	6,235	7,360	7,232
(Loss)/profit for the year	R million	**(4,433)**	3,043	538	1,507	1,698
Earnings per share [1]	cents	**(229)**	225	47	106	133
Headline earnings per share [1]	cents	**(12)**	162	44	97	181
Number of shares in issue at end of period	000	**2,168,721**	929,004	916,140	898,840	735,079
Statement of financial position (extract)						
Cash and cash equivalents	R million	**2,062**	968	717	563	1,492
Total assets	R million	**76,072**	41,721	28,266	27,922	19,995
Borrowings [10]	R million	**25,650**	8,974	3,804	3,170	1,991
Total liabilities	R million	**52,074**	25,252	13,281	12,936	10,572
Statement of cash flows (extract)						
Net increase/(decrease) in cash and cash equivalents	R million	**1,403**	408	155	(930)	1,201

See pages 16 and 19 for footnotes

FIVE-YEAR STATISTICAL REVIEW CONTINUED

GROUP FINANCIAL STATISTICS CONTINUED

		2017	[1] 2016	2015	[2] 2014	[3] 2013
Other financial data						
Net debt [10]	R million	**23,176**	6,293	1,362	1,506	499
Net debt to adjusted EBITDA	ratio	**2.6**	0.6	0.2	0.2	0.1
Net asset value per share	R	**11.07**	17.73	16.36	16.67	12.80
Debt to equity [11]	ratio	**217.0**	153.3	88.6	86.3	112.2
Dividends declared per share	R	**–**	1.45	1.00	1.12	1.12
Dividend yield [12]	%	**–**	5.7	4.4	5.0	9.1
Average exchange rate [13]	R/US$	**13.31**	14.68	12.75	10.82	9.60
Closing exchange rate [14]	R/US$	**12.36**	13.69	15.54	11.56	10.34
Share data						
Ordinary share price – high	R/share	**33.26**	70.23	32.26	29.52	16.30
Ordinary share price – low	R/share	**14.15**	21.98	13.66	12.34	6.73
Ordinary share price at year end	R/share	**15.78**	25.39	22.85	22.55	12.30
Average daily volume of shares traded	000	**9,080**	6,165	3,024	2,869	4755
Market capitalisation at year end	R billion	**34.2**	23.6	20.9	20.3	9.0
	US$ billion	**2.77**	1.72	1.34	1.76	0.87

[1] *The comparatives for 2016 have been revised retrospectively in terms of IFRS 3 Business Combinations after the acquisition accounting of the Rustenburg operations was finalised, and the earnings per share calculations for 2013 to 2016 have been adjusted retrospectively as required by IAS 33 earnings per share to reflect the bonus elements of the rights issue and capitalisation issues*

[2] *KPMG Services provided limited assurance over certain non-financial data for the period 1 January 2014 to 31 December 2014 which included Cooke, Kloof, Driefontein and Beatrix. Financial data for the year ended 31 December 2014 includes Cooke for the period from 15 May 2014 to 31 December 2014*

[3] *Sibanye-Stillwater was previously a wholly-owned subsidiary of Gold Fields Limited (Gold Fields). Sibanye-Stillwater separated from Gold Fields in February 2013 to become an independent, publicly traded company*

[4] *Adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation) is based on the formula included in the facility agreements for compliance with the debt covenant formula. For a reconciliation of loss before royalties and tax to adjusted EBITDA, see the Financial Report 2017*

[5] *Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue*

[6] *Sibanye-Stillwater presents the financial measures 'all-in sustaining cost', 'All-in cost', 'All-in sustaining cost per kilogram', 'All-in sustaining cost per ounce', 'All-in cost per kilogram' and 'All-in cost per ounce', which were introduced during the year ended 31 December 2013 by the World Gold Council and are not IFRS measures. Total All-in cost excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings. All-in cost is made up of all-in sustaining cost, being the cost to sustain current operations, given as a sub-total in the all-in cost calculation, together with corporate and major capital expenditure growth*

[7] *All-in sustaining margin is defined as revenue minus All-in sustaining cost divided by revenue*

[8] *All-in cost margin is defined as revenue minus All-in cost divided by revenue*

[9] *The total SA PGM operations unit cost benchmarks (including capital expenditure) exclude the financial results of Mimosa, which is equity-accounted, and excluded from revenue and cost of sales*

[10] *Borrowings of R25,206 million that have recourse to Sibanye-Stillwater exclude the Burnstone Debt and include derivative financial instruments.*

[11] *Net debt represents borrowings and bank overdraft less cash and cash equivalents. Borrowings are only those borrowings that have recourse to Sibanye-Stillwater and therefore exclude the Burnstone Debt and include derivative financial instruments. Net debt excludes Burnstone cash and cash equivalents*

[12] *The debt to equity ratio is a debt ratio used to measure the Group's financial leverage and is calculated by dividing total liabilities by equity*

[13] *The dividend yield is a financial ratio that indicates how much a company pays out in dividends each year relative to its share price. Dividend yield is represented as a percentage and is calculated by dividing the dividends per share declared in a given year by the ordinary share price at the end of the year*

[14] *The average exchange rate during the relevant period as reported by I-Net Bridge*

[15] *The closing exchange rate at financial year end*

SUSTAINABLE DEVELOPMENT STATISTICS

		2017				2016			2015	[2] 2014	[3] 2013
		Group	US region	SA region		Group	SA region		SA region	SA region	SA region
	Unit		PGMs	PGMs	Gold		[18] PGMs	Gold	Gold	Gold	Gold
Employment											
No. of employees including contractors – total [27]		**66,472**	**1,970**	**23,807**	**40,695**	74,531	28,404	39,310	46,269	44,411	36,274
Permanent employees		**53,139**	**1,513**	**18,909**	**32,772**	58,644	20,912	32,712	39,725	39,232	34,168
Contractors		**13,278**	**457**	**4,898**	**7,923**	15,887	7,492	6,598	6,544	5,179	2,106
Female representation in the workforce	%	**13**	**7**	**14**	**12**						
Union representation	%	**93**	**77**	**93**	**94**						
Salaries and wages paid	R million	**15,323**	**1,599**	**5,724**	**8,000**	9,276	1,483	7,793	7,345	6,665	6,156
Employee costs share % of cost of sales before armotisation and depreciation	%	**42**	**23**	**49**	**45**	45	44	45	45	47	51
Safety											
No. of fatalities		[19] **11**	**0**	**2**	**9**	14	2	12	7	[22] 12	9
Lost-time injury frequency rate (LTIFR) [16]		[19] **5.78**	**7.73**	**4.69**	**6.32**	6.62	4.84	6.99	6.74	5.87	6.13
Medically treated injury frequency rate (MTIFR) [16, 28]		[19] **2.60**	**24.65**	**2.44**	**2.24**	3.85	5.72	3.47	3.60	3.37	4.32
Health											
No. of cases reported:											
Silicosis [31]		[19] **261**	**na**	**68**	**193**	240	89	151	186	264	129
Noise-induced hearing loss (NIHL) [21]		[19] **193**	**0**	**100**	**93**	188	62	126	105	138	88
Chronic obstructive airways diseases		[19] **50**	**0**	**13**	**37**	46	16	30	57	45	74
Cardio-respiratory tuberculosis (TB) – new and retreatment cases		[19] **570**	**na**	**148**	**422**	618	73	545	679	715	598
TB incidence – new and relapse cases		[19] **623**	**na**	**148**	**475**	707	73	634	744	832	727
No. of patients in active employment and on highly-active antiretroviral treatment (HAART)		[19] **9,761**	**na**	**3,133**	**6,628**	9,925	3,545	6,380	5,750	5,283	3,844
HIV prevalence among employees	%	[19] **6**	**na**	**1**	**10**	8	4	13	22	21	23

See pages 16 and 19 for footnotes

FIVE-YEAR STATISTICAL REVIEW CONTINUED

SUSTAINABLE DEVELOPMENT STATISTICS CONTINUED

		2017				2016			2015	[2] 2014	[3] 2013
		Group	US region	SA region		Group	SA region		SA region	SA region	SA region
	Unit		PGMs	PGMs	Gold		[18] PGMs	Gold	Gold	Gold	Gold
Environment											
Cyanide consumption	000t	**7,552**	**na**	**na**	**7,552**	11,967	na	11,967	11,924	11,758	3,759
CO_2e emissions:											
Scope 1 and 2 [17]	000t	[19] **6,598**	**215**	**1,616**	**4,766**	5,432	575	4,857	5,016	5,175	4,408
Scope 3 [23]	000t	[19] **2,539**	**544**	**980**	**1,016**	1,029	180	849	867	863	634
Emissions intensity	tCO_2e/t milled	**0.13**	**0.01**	**0.06**	**0.25**	0.22	0.12	0.24	0.25	0.28	0.32
SO_2 emissions [29]	tonnes	**611**	**6**	**200**	**405**	667			499	632	464
Electricity consumed	TWh	[19] **6.01**	**0.24**	**1.61**	**4.16**	4.72	0.6	4.16	4.23	4.27	3.78
Diesel	TJ	[19] **853**	**179**	**460**	**214**	462	207	255	231	225	229
Water withdrawn	000Ml	[19] **125**	**2**	**14**	**109**	112	4	107	115	117	75
Water used [25]	000Ml	**55**	**1**	**14**	**40**	46	4	41	42	[20] na	[20] na
Water use intensity	kl/t treated	**1.31**	[30] **0.43**	**0.66**	**2.10**	1.71	0.66	2.05	2.09	[20] na	[20] na
No. of environmental incidents: level 3+		**18**	**6**	**3**	**9**	19	13	6	8	9	1
Rehabilitation liabilities	R billion	**7.46**	**0.56**	**2.72**	**4.18**	6.15	2.03	4.12			
HDSA representation (South Africa)											
Top management (Board)	%	[19] **45**				31	na	na	31	42	56
Senior management (Executives)	%	[19] **40**				45	na	na	43	41	31
Middle management (E band)	%	[19] **36**	**na**	**38**	**35**	29	33	25	30	25	32
Junior management (D band)	%	[19] **50**	**na**	**53**	**49**	53	58	48	48	46	47
Social and procurement spend											
Socio-economic development	R million	[19] **1,161**	**3**	**367**	**792**	656	87	569	691	1,055	1,050
Approved social and labour plan (SLP) projects [24]	R million	[19] **24**	**na**	**11**	**13**	59	12	47	27	24	12
BEE procurement – total [26]	R million	[19] **10,605**	**na**	**4,901**	**5,704**	7,585	2,689	4,896	4,700	4,680	2,858
% of total procurement [26]	%	**78**	**na**	**80**	**76**	77	90	71	72	67	56
Capital goods [26]	%	[19] **81**	**na**	**82**	**81**	81	85	77	56	54	51
Services [26]	%	[19] **77**	**na**	**82**	**73**	84	93	79	76	72	59
Consumables [26]	%	[19] **78**	**na**	**78**	**77**	68	88	62	72	67	56
Other											
Current tax and royalties	R million	**903**				1,678			1,097	1,310	1,224
Research and development	R million	**13**				16			18	5	6

See pages 16 and 19 for footnotes

Footnotes continued

[16] *Rate per million hours worked*

[17] *Scope 1 and 2 emissions include fugitive mine methane. The fugitive mine methane emissions for 2017 total 564 560t CO_2e. We have chosen to report our Scope 1 and Scope 2 emissions separately from our Scope 3 emissions as Scope 1 and Scope 2 emissions are under our direct control while Scope 3 emissions represent the effect of our business activities across the supply chain. Although it is not a mandatory Intergovernmental Panel on Climate Change reporting category, we are also reporting our fugitive mine methane emissions in the Free State province of South Africa in line with the transparency principle of the ISO GHG quantification standard. The 2016 carbon emissions include the emissions from the operations acquired as of the time the acquisitions became effective (i.e. Aquarius operations from April 2016 and Rustenburg operations from November 2016)*

[18] *The SA PGM operations for 2016 represented nine months data for Kroondal (50%), Mimosa (50%) and Platinum Mile (50%) (where applicable) and two months for Rustenburg operations. Health data for 2016 includes 12 months of SA PGM operations*

[19] *The sustainable development indicators for 2017 have been externally assured by KPMG. Please refer to the Assurance report on page 163*

[20] *Data not available to report*

[21] *The NIHL testing method differs between the US and SA regions*

[22] *The 12 fatalities reported in 2014 excluded one fatality that occurred at Cooke before Sibanye-Stillwater took over management responsibility for this operation on 1 March 2014*

[23] *Refer to reference note relating to Scope 3 emissions on page 123 of this report*

[24] *Includes local economic development (LED) spend on projects*

[25] *This year we report on the volume of water used rather than on the volume recycled and reused. Sibanye-Stillwater operates mines that generate almost zero effluent (100%) consumed and mines that must discharge certain volumes of water in terms of their water use licences to satisfy the requirements of the environmental reserve and/ or to satisfy dewatering requirements. Nevertheless, Sibanye-Stillwater continues to practice effective water conservation and water demand management, in accordance with the requirements each of its water use licence.*

[26] *The BEE proportion of total procurement applies to procurement spend in South Africa only*

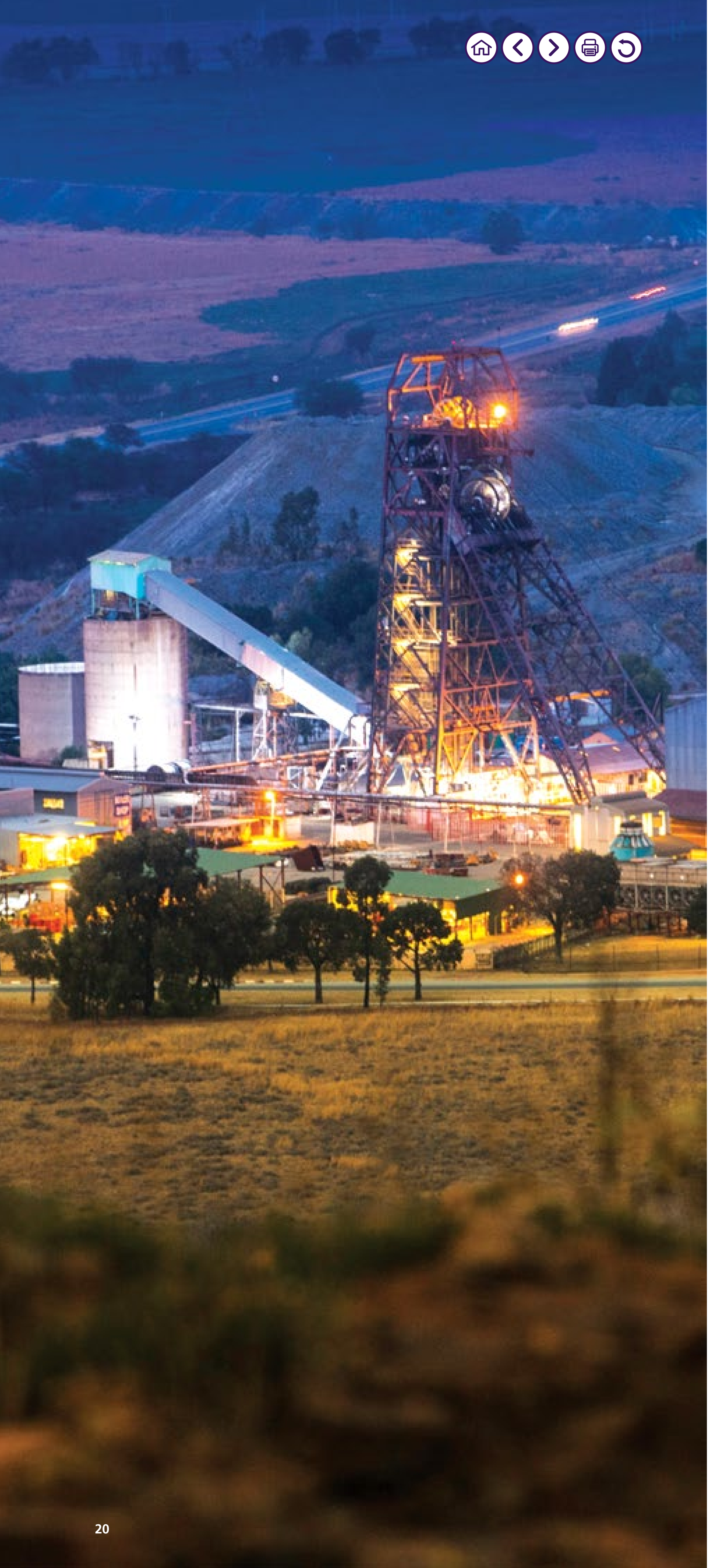
[27] *The total number of people employed by the SA gold operations includes those employed by regional services, other SA and corporate office for this summary only. For a detailed breakdown, see Superior value for the workforce*

[28] *Includes certain minor injuries. MTIFR is based on the bird model safety pyramid. Sibanye-Stillwater expects and encourages a higher rate than in other categories*

[29] *Sulphur dioxide (SO_2) emissions for the SA region are derived by the multiplication of fuels (diesel, petrol, liquid petroleum gas, coal, helicopter fuel and paraffin) by the corresponding emission factors. These emissions are related to the quantities of fuel used and there is no cap on the amount of emissions in a year. The US region may be reporting emissions from the metallurgical processes as those may be regulated with a cap*

[30] *Water use intensity in the US region is 1.724Mt. The US mines are relatively dry and water usage is low, given that most of the water withdrawn is discharged through the water recycle/reuse systems in place. In addition, given the high rainfall, water is collected and a significant amount of storm water is used in the process facilities. Almost all the water discharged is treated*

[31] *Includes both new and resubmission cases*



SECTION 02

VIEW FROM THE TOP

PERSPECTIVE FROM THE CHAIR

Sello Moloko

Chairman

It is a privilege to once again present this integrated report on behalf of the Sibanye-Stillwater Board to all of our stakeholders.

In recent years, the Company has undergone a significant strategic evolution from a single commodity, gold mining company with its asset base entirely located in South Africa, into a geographically diversified, uniquely positioned, international precious metals company.

Change of this magnitude is never easy and is often accompanied by periods of discomfort and uncertainty, and this has indeed been the case for Sibanye-Stillwater. The rapid execution of our strategy and growth to become a leading global PGM producer has resulted in the Group having to temporarily take on levels of debt that are well above those which have historically been maintained.

This rapid acquisition growth strategy and the resultant impact on the capital structure of the Group were carefully considered by management and the Board. While uncontrollable exogenous factors, such as the recent strength in the rand, present challenges, the Board is confident that, given the inherent flexibility of the broader Sibanye-Stillwater Group, there are no immediate material risks that cannot be dealt with. We are confident that management has sufficient operational and financial levers at its disposal to weather an extended period of rand strength, and that the Group is uniquely positioned to benefit substantially under more constructive market conditions and to deliver superior and sustainable value for shareholders and all other stakeholders.

One of the challenges identified by the Board during this period of rapid growth and change is maintaining our focus on the safe delivery of operational targets and integration synergies. As a significant employer in South Africa, the safety of our employees is a priority and despite the improved safety performance across the Group in 2017, the recent spate of fatalities in 2018 is of concern. The Board has asked senior management to review the circumstances leading to these incidents and to take appropriate action. We are confident that there is proper focus on this aspect and plans are being made to mitigate future incidents.

In the CEO's review, Neal Froneman provides significant detail on the transformative nature and benefits already accruing from recent acquisitions, as well as the strategic rationale of pending transactions, which were recently announced. The Group financial and operational performance for 2017 and outlook are also covered in detail elsewhere, so I will avoid repetition and provide a higher level overview on the company and the current operating environment.

It is not only Sibanye-Stillwater that has recently undergone significant change, but also the political and economic environment in which we operate.

South Africa has experienced a marked political shift with the election in December 2017 of Cyril Ramaphosa as ANC president, in a tightly contested ANC elective and policy conference. It is still too early to ascertain what the effects will be of this change in leadership and possible political direction in the ANC on the fortunes of the country. Swift and decisive actions taken by the ANC in early 2018, most importantly resulting in the early resignation of the incumbent South African President Jacob Zuma, and apparent commitments to dealing with corruption and to stimulating investment and economic growth in South Africa, have been positively received by the market.

PERSPECTIVE FROM THE CHAIR CONTINUED

For the South African mining industry in particular, the appointment of Gwede Mantashe as Minister of Mineral Resources in February 2018 has been broadly welcomed. The mining industry's relationship with the previous Minister was largely hostile and unproductive, and the appointment of a Minister with significant mining experience and a greater understanding of the dynamics of the industry is encouraging. The public recognition by Mr Ramaphosa of the critical importance of the mining industry to the success of the country also suggests a different approach to that which has stifled investment in the sector in recent years.

In February this year, the Chamber of Mines, on behalf of its members, agreed jointly with the Department of Mineral Resources (DMR) to postpone its court application, which was due to be heard by the High Court on 19 February 2018 in respect of the Reviewed Mining Charter that had been gazetted by the previous Minister of Mineral Resources, Mosebenzi Zwane, in June 2016. The postponement followed engagement with President Ramaphosa during which he indicated his commitment to resolving the impasse over the Mining Charter and to facilitating a process to develop a new Mining Charter that included all stakeholders and that was in the interests of the industry and the country as a whole.

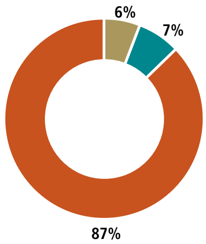
Ideally, a new well-designed Mining Charter that is agreed on and supported by all parties in an inclusive process must be finalised as soon as possible. The mining industry believes that this inclusive process should involve meaningful engagement and negotiation with representation across a broad range of stakeholders, including government, business, labour and communities.

The South African mining industry, represented by the Chamber of Mines, and including our own Sibanye-Stillwater, remains ready and willing to play its part in building the South African mining industry and economy, while recommitting to further transformational progress and growth, to ensure the industry's sustainability.

Despite publicly and in a forthright manner raising our concerns on the political and socio-economic outlook for South Africa under the previous regime, Sibanye-Stillwater has remained a proudly South African company and a mining champion, even as it has begun to reposition itself to be competitive in the global industry. In the five years since Gold Fields unbundled, three mature, labour-intensive high-cost South African gold mines, which were perceived by the market as nearing the end of their operating lives, Sibanye-Stillwater has become the lowest cost producer of the major gold producers in South Africa, as well as a top three global PGM producer.

In this time, we have significantly extended the operating lives of our gold assets and newly-integrated PGM assets, thus maintaining sustainable, valuable employment. In addition, we have invested over R15 billion (increasing potentially to R20 billion should the Lonmin transaction be approved) in growing our gold and PGM portfolio in the Southern Africa region and, in 2016, we committed in excess of about R3.5 billion towards capital to growth projects. This is in addition to the significant contribution of about R16 billion made in 2017 to the local economy in salaries and wages paid, local economic development expenditure, local procurement and the payment of state taxes and royalties. This is 37% more than we spent in 2016.

SA region: spend on employees, communities and government



Tax and royalties	R903m
Local economic development and CSI	R1,159m
Salaries and wages	R13,724m

The Group currently employs more than 65,000 people in South Africa and should the Lonmin transaction be approved, will employ more than 85,000 people in South Africa, it would make Sibanye-Stillwater one of the largest employers in the country. As highlighted elsewhere in this report, given the multiplier effect that each job has in the economy, more than 1.4 million South Africans are beneficiaries (direct and indirect) of the jobs provided by Sibanye-Stillwater. Moreover, Sibanye-Stillwater is one of the state-owned utility Eskom's largest consumers of electricity and therefore is critical to the ongoing viability of that financially troubled entity.

Sibanye-Stillwater's fortunes are therefore inextricably linked to those of South Africa. Recent political events, which are generally perceived as positive for the South African mining industry, should have positive consequences for the Group. At this stage, these potential benefits are unquantifiable and have not yet been positively reflected in the relative ratings of South African mining companies. The positivity and euphoria following the recent political changes have, however, resulted in significant appreciation in the rand, which, assisted by US dollar weakness, appreciated by 10%, from an average of R13.3/US$ for 2017 to current levels of approximately R11.90/US$.

This recent relative strength in the currency is negatively impacting revenues and margins across the South African mining industry. While certain commodity prices have rebounded strongly in 2018, in some cases totally offsetting the stronger rand, precious metal prices in general have been less fortunate, with the dollar price of gold currently flat year-on-year. Despite the exceptional price gains for palladium and rhodium, the average South African basket price has only increased marginally owing to continued weakness in the platinum price.

The outlook for gold remains relatively muted, with expectations of the US Federal Reserve raising rates in the US, capping upside in 2018. Gold demand remains relatively firm, however, and the spectre of rising global inflation is likely to provide ongoing support below US$1,300/oz in our view. The outlook for PGMs is more positive. Supply deficits in palladium are expected to be sustained for some time while rhodium should benefit from higher loadings on catalysts, which will offset the negative impact that declining diesel vehicle sales are having. Platinum is expected to remain in surplus in 2018, albeit lower than in 2017, which should help to maintain current price levels in 2018. Thereafter, the platinum market is expected to return to deficit as supply from South Africa continues to decline with positive consequences for the price.

The recent rand strength, if sustained, and its impact on operating margins and cash flows in the SA region in 2018, will be offset partly by the already tangible diversification benefits being delivered by the US PGM operations. These are generating substantial operating cash flows, which will be further boosted by the Blitz project as this ramps up to full production in 2021.

As previously mentioned, management has at its disposal, and has already begun to apply, various operational and financial levers to weather and manage an extended period of rand strength. These include a full review of non-essential capital expenditure as well as of the operations, assessing innovative ways to significantly reduce debt and management's forgoing salary increases in the short term. This review, once completed and acted on, will help to better position Sibanye-Stillwater to continue delivering value to all stakeholders. The Board is confident that the current environment, while challenging, does not pose a material risk to the sustainability of our business.

Sibanye-Stillwater has embraced the outcomes-based philosophy of King IV and begun the process of aligning our corporate governance structures and practices with the principles of King IV. While this process is still underway, we have nevertheless substantially adopted the disclosure requirements recommended by King IV to the extent possible in this integrated report. We are cognisant of our responsibilities, particularly given our Sibanye-Stillwater CARES values, to be ethical and to act responsibly in all that we do and in delivering on our strategy.

RECOGNITION

I would like to extend my thanks to those directors who resigned from the Board during the year, Messrs Christopher Chadwick, Robert Chan and Jiyu Yuan. Their support and contributions to Board deliberations were useful and insightful. I take this opportunity too, to welcome Mrs Savannah Danson, who joined our Board in May 2017.

Following what has been a highly successful 2017, we embark on 2018 full of confidence in the sustainability of our operations. I am personally grateful for the unstinting efforts of all our people to make ours the great company that it is. In particular, I extend my thanks to our CEO, Neal Froneman, and his team for leading the transformation of the company. Their strategic inputs have been invaluable in developing and transforming Sibanye-Stillwater to enable us to continue contributing to the welfare of all our stakeholders.

Sello Moloko
Chairman
29 March 2018

CHIEF EXECUTIVE OFFICER'S REVIEW

Neal Froneman

Chief Executive Officer

2017 will be recognised as a landmark year in the history of the company. Over the course of the past two years, primarily in 2017, the Group has fundamentally changed, from a gold mining company with its asset base located entirely in South Africa, into a geographically diversified, international precious metals company.

This transformation has been achieved in a relatively short, three-year period since we first expressed our interest in the PGM industry. In this time, we have established Sibanye-Stillwater as one of the top three global producers of platinum and palladium, while retaining our position as a leading global gold producer.

We have conclusively diversified our commodity mix as well as diversifying the geographical concentration of our operations. This has significantly reduced risk across the Group and is already delivering tangible benefits. To reflect the fundamental change in the Group, we have rebranded as Sibanye-Stillwater, which retains the value of both the Sibanye and Stillwater brands and better reflects our larger, internationally diversified profile.

What has remained constant through this period of change is our commitment to our core purpose, vision and CARES values. Our core purpose that "Our mining improves lives" captures the essence of how we operate, uplifting our employees' and communities' quality of life and contributing positively to broader society and the economy, not only through our operating activities, but also through the products we produce. PGMs, in particular, contribute through their superior catalytic properties to a cleaner and healthier environment. Our corporate vision of "creating superior value for all our stakeholders" and CARES values underpin our decisions and actions.

SAFETY

Safety is our principal value and we continue to focus significant effort and attention as well as resources on ensuring that our employees are able to work in a safe and conducive environment. Following a regression in our safety performance in the first half of 2016, we adopted a revised safety strategy in the SA region in the latter half of 2016 that was rolled out across all operations during 2017.

There was a significant improvement in all the main safety indicators across the region during 2017, with the SA region's serious injury frequency rate (SIFR) improving by 14% to 3.59 per million hours worked, and the lost-time injury frequency rate (LTIFR) improving by 13% to 5.76 per million hours. Safety improvements continued through the year, with the SA gold operations, in the December 2017 quarter, recording their first fatality free quarter since March 2015.

We have now restored our leading position, among both gold and South African PGM peer companies, as the benchmark on most safety indices in the gold and PGM sectors.

Despite these improvements there were regrettably 11 fatalities in the SA region during 2017. These incidents have been thoroughly investigated and preventative action taken and rolled out where appropriate. On behalf of the Board and management, I extend my deepest condolences to the families, friends and colleagues of these employees: Sphampano Machenene, Mxolisi Cekiso, Mbuze Ncobela, Seabata Khetla, Andile Nkwenkwe, Nkosinathi Marumo, Thandisile Deku Rangwaga, Puseletso Molobogeng Mashego, Geraldo Sitoe, Sibongile Ganithuli and Moagisi Selaotswe. Consistent with our practice and policies, the families of the deceased have received, and will continue to receive, appropriate support from the company.

In the US region, the total recordable injury frequency rate (TRIFR) for 2017 was a record low of 12.7 per million hours worked, an improvement on the 12.9 reported for 2016 TRIFR. The East Boulder mine was free from lost day and serious injuries for the entire year and the US region reported no contractor injuries for the entire year.

ORGANISATIONAL RESTRUCTURING FOR EFFECTIVE DELIVERY

The significant increase in size and geographic spread of the company has required us to revise and restructure the organisation to ensure strategic alignment and delivery, role clarity and a continued focus on operational excellence.

During 2017, we transformed from a commodity-focused divisional structure, to a geographically regionalised structure, with separate regionally-focused executive teams in each region, namely, the SA region and the US region. These well-defined geographic regions are led by strong executive teams, which clearly understand the specific regional social and cultural issues, and are primarily responsible for continued delivery of operational and strategic goals. Strategy, finance, new business and other non-operational functions are the responsibility of the corporate office, which ensures that the regional leadership teams are able to focus on operational integration and delivery.

In the SA region, Robert van Niekerk was appointed Executive Vice President: SA region, where he is supported by a strong and experienced team. Robert has served as an executive of the Group since 2013, and has played a key role in improving organisational effectiveness, most recently driving the successful integration of the SA PGM operations. In the US region, Chris Bateman, previously CFO of Stillwater since 2014, was appointed as Executive Vice President: US region. He is also supported in this role by a regional executive team.

The effectiveness of this approach is evident in the successful integration of the SA PGM operations in 2017, which has exceeded expectations, and the efficient integration of the Stillwater operations, which have maintained operational consistency. Continued operational delivery and the successful integration of new acquisitions during periods of rapid growth and change, endorses the current organisational structure and operating model, which we are confident is appropriate for our current and future requirements.

2017 IN REVIEW – A YEAR OF OPPORTUNITY AND DELIVERY

Strategic review

Sibanye-Stillwater's rapid and comprehensive growth into the top ranks of the global PGM industry appears to have surprised many market observers and commentators. This corporate transformation has been swift, but has been consistent with our clearly communicated strategy to pursue growth in the sector. Moreover, we have consistently said that accomplishing this strategy involved four steps, which would result in us becoming a leading mine-to-market producer. After successfully reducing operating costs and stabilising our gold operations during 2013, our strategic focus shifted to profitably growing and sustaining the business beyond the life of our gold assets. Opportunities for meaningful, value accretive growth in the South African gold industry were limited and it was clear that alternative options were necessary in order to ensure the sustainability of the Group in the long term.

In early 2014, after having completed detailed research on the PGM industry and the fundamental outlook for PGM supply and demand, we signalled our intent to grow in the industry. At the time, the strategic rationale was clearly communicated to the market, as summarised below:

- Low PGM prices and escalating input costs (labour and utilities) had put balance sheets under strain, creating opportunities for value-accretive acquisitions
- The industry had avoided necessary restructuring of loss-making production
- The SA PGM sector offered a number of consolidation opportunities
- The PGM industry operating environment shares many similarities with the gold industry:
  - medium depth, tabular, hard rock mining
  - labour-intensive (mainly utilising conventional mining methods)

There was a clear opportunity to leverage Sibanye-Stillwater's successful South African operating model and experience to unlock value with long-term PGM supply and demand fundamentals remaining robust.

This rationale has since been justified and endorsed, by the meaningful growth Sibanye-Stillwater has delivered in the PGM sector over the past three years, as well as by the successful integration of these acquisitions into the Group.

SA PGM operations – successful integration

The integration of the Aquarius and Rustenburg operations, acquired in 2016, has exceeded our expectations. Since acquisition, the SA PGM operations have consistently delivered improving production and financial results, with integration synergies significantly exceeding expectations. Approximately R1 billion in cost savings and operational synergies have been realised in the first 14 months of incorporation, well ahead of initial expectations of R800 million over a three- to four-year time frame.

Production from the SA PGM operations in 2017 of 1.19m4Eoz, was higher than guidance for the year, with all-in sustaining cost (AISC) of R10,399/4Eoz (US$782/4Eoz) also better than anticipated. As a result, together with a marginally higher average 4E PGM basket price, the SA PGM operations contributed 18% or R1.6 billion (US$120 million) to Group adjusted EBITDA in their first full year of incorporation. This is a remarkable result from assets which, before being part of Sibanye-Stillwater, had been delivering significant and sustained losses for many years.

Early in 2017, we conducted a review of the SA PGM operations with a view to potentially rationalising loss making production at the conventional shafts. Due to the strong operational performance being delivered by all the SA PGM operations, coupled with the realisation of synergies, all of the shafts were found to be contributing to group profitability and the threatened closures were averted.

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

US PGM operations – clear diversification benefits

The acquisition of Stillwater which was announced in December 2016 and concluded in May 2017, is a transformative transaction and the US PGM operations are already making a noticeable financial contribution to the Group. The integration of the US PGM operations has proceeded smoothly, with the operating performance steady and the critical Blitz project being commissioned three months ahead of plan.

The transaction was also well timed, with the palladium price increasing by more than 60% from acquisition on 4 May 2017 to 31 December 2017. The palladium price increase has particularly benefited the profitability of the US PGM operations, which produce a PGM basket comprising about 78% palladium and 22% platinum.

The US PGM operations contributed R2.1 billion (US$161 million) (24%) to Group adjusted EBITDA for the eight months since acquisition. Notably, given the recent strength in the rand, which has impacted margins of all of our South African operations, this has provided welcome diversification and supports the timing of the acquisition at what we believe to be a low point in the palladium price cycle. At the 2018 average to date 2E PGM basket price of approximately US$1,035/2Eoz, Stillwater is generating an AISC margin of over 35%.

The rationale for the transaction is further supported by a detailed, independent competent persons' report (CPR), released in November 2017, which valued the US operations at US$2.73 billion, which is higher than the US$2.24 billion acquisition price (including transaction fees of US$40 million). The CPR is available on the Sibanye-Stillwater website at: www.sibanyestillwater.com/investors/documents-circulars.

Proposed Lonmin transaction – a value-accretive, logical fourth step

We have for some time, clearly signalled the importance of becoming a "mine-to-market" producer in South Africa and our intention to conclude a "fourth step" in our PGM strategy. The proposed acquisition of Lonmin, announced on 14 December 2017, will, if successful, complete that fourth strategic step. The proposed integration of Lonmin will add a commercially attractive smelting and refining business and sizeable PGM Mineral Reserves and Resources, which provide significant optionality to higher PGM prices. A detailed due diligence of Lonmin has identified R730 million in annual overhead cost savings and a further R780 million in processing synergies which could be realised in full by 2021*. The successful conclusion of this transaction will bring greater stability to Lonmin as well as to communities in the Rustenburg region.

SA gold operations

The year under review was a period in which the gold price essentially remained in a phase of consolidation, after a steep decline from Brexit related peaks in mid-2016. During 2017, gold's spot price in London averaged $1,254/oz, which was flat year-on-year. In rand terms, the average price received of R536,378/kg was 9% lower than the average received for 2016. Adjusted EBITDA for our gold operations for the year ended 31 December 2017 declined by 46% to R5.3 billion (US$399 million), owing to a 7% decline in production to 43,634kg (1.4Moz) and a 9% decline in the average gold price received to R536,378/kg (US$1,254/oz). Our consistent focus has been to maintain operations that can be mined profitably and sustainably to deliver equitable benefits to all stakeholders over several years. There can, unfortunately, be no place in our strategy for supporting persistently unprofitable operations with revenues from profitable ones nor, by the same token, can we consider not mothballing unprofitable mining sections that have little prospect of being turned to profitable account. Such operations are typically those placed on care and maintenance programmes should they have the prospect of an eventual return to profitable account.

In this regard, after numerous attempts to address losses at the Cooke operations and Beatrix West mine, we entered into Section 189 consultations with relevant stakeholders, which resulted in the cessation of underground mining at the Cooke operations at the end of October 2017 and an agreement to suspend capital investment at Beatrix West. Beatrix West will continue operating its underground working and surface processing with fewer employees. Should the section return to loss in any three-month period, there will be no alternative but to place it on care and maintenance. The cessation of mining at the Cooke underground operations, while resulting in a reduction in gold production, is expected to reduce AISC for the SA gold operations in 2018 by approximately R15,000/kg (US$36/oz) (in 2017 terms). Early decisive action taken to address these loss-making operations has resulted in the SA gold operations being better positioned for the prevailing rand environment than they were in 2017.

Proposed DRDGOLD transaction – immediate value and long-term optionality

In addition to decisively addressing costs and loss making operations, we continue to assess alternative ways in which we can realise additional value from our operations and assets. In November 2017, a proposal was announced to vend certain gold surface assets on the West Rand to DRDGOLD, a leading specialist in recovering gold from mine residues. The arrangement, which was awaiting ratification by DRDGOLD's shareholders as the year closed, will involve DRDGOLD issuing shares equivalent to 38% of its enlarged issued capital to Sibanye-Stillwater. Sibanye-Stillwater will also retain an option to increase its shareholding to a majority shareholding within a 24-month period. Through this transaction, Sibanye-Stillwater will realise immediate value from the West Rand Tailings Retreatment Project (WRTRP) (equivalent to 38% of DRDGOLD's market capitalisation) and retain optionality to the project's upside through this exposure, without the need to incur significant capital investment.

Capital management

Sibanye-Stillwater maintains a prudent approach to capital management, with preservation of long-term financial flexibility as a key priority. In order to conclude the transformative Stillwater acquisition, a conscious and deliberate decision was taken to temporarily increase Group debt.

** For further information relating to the synergies expected from the Lonmin acquisition, refer to page 17 and pages 58 – 60 for detail on the offer/announcement dated 14 December 2017, available at www.sibanyestillwater.com/investors/transactions/lonim/documents*

The US$2.65 billion bridge loan raised for the Stillwater transaction was successfully refinanced five months after the conclusion of the transaction, via an oversubscribed US$1billion rights issue, the issue of US$1.05 billion in corporate bonds and a US$450 million convertible bond. Net debt (excluding the Burnstone Debt and including the US$450 million convertible derivative instrument) at 31 December 2017 was R23,176 million (US$1,875 million). There was a 7% reduction in net debt to adjusted EBITDA to 2.6x, compared to 2.7x at 30 June 2017.

Near term liquidity is not a concern, with committed unutilised debt facilities of R3,653 million (US$296 million) at 31 December 2017. In order to manage liquidity, the Group is currently refinancing and potentially upsizing its US$350 million revolving credit facility (RCF), which matures on 23 August 2018. This will increase available RCF facilities by about US$250 million, providing additional balance sheet flexibility and terms and conditions are anticipated to mirror those of the current facility. The support for this refinancing is again a significant vote of confidence in the outlook for the Group by leading financial institutions.

Our balance sheet is now structured with appropriate levels of permanent capital and of long- and medium-term debt. Reducing balance sheet leverage is, however, a key strategic focus for the Group, and in addition to utilising cash generated from its operations, the Group is assessing various options at its disposal to ensure responsible management of its debt. As previously mentioned, these may include options such as entering into streaming agreements, inventory financing and utilising other low cost financial instruments.

The focus on deleveraging has, however, affected available funds for distribution as cash dividends. We remain committed to our vision of delivering superior return to all our stakeholders and, in this regard, the Board approved the issue of capitalisation shares in order to ensure delivery of ongoing value for shareholders. Two capitalisation shares for every 100 shares held were approved for the six months ended 30 June 2017 with a further four capitalisation shares for every 100 shares held approved at year end. The Board and management of Sibanye-Stillwater remains committed to its dividend policy and will resume cash dividends as soon as it is deemed prudent by the Board. In the interim, the issue of no par value capitalisation shares is intended to ensure that shareholders continue to benefit from an enhanced exposure to the Group.

2018 OUTLOOK

The political environment in South Africa has recently undergone substantial change. While structural changes are yet to be seen, general sentiment around the country's prospects for economic stability and growth is more positive. This has notably reflected in the strength of the local currency, which has appreciated by 6% against the dollar in 2018 to date and, remarkably, by 18% since the beginning of 2017. At the same time, dollar-denominated precious metal prices have increased and, while the rand will continue to impact on industry margins, overall spot prices are generally higher than at the same time in 2017. While the political and regulatory outlook appears more positive, and suggests upside for the beleaguered South African mining industry, we continue to adopt a cautious and measured approach.

Focus in 2018

Sibanye-Stillwater's development and growth has been rapid and, consequently, the strategic imperative for 2018 is one of consolidation.

Our strategic priorities for the year are to:

- reduce the Group's financial leverage as soon as possible
- maintain our focus on operational excellence in order to achieve consistent and sustainable delivery on production and costs
- drive down costs
- embedding the employee value proposition
- continue with the integration and optimisation of recently acquired operations
- address the current market discount to intrinsic value

Restructuring of our SA gold operations in 2017 and realisation of significant synergies at our SA PGM operations, together with the diversification benefits already being realised from our US PGM operations, have ensured that the Group is better positioned to withstand a sustained period of low prices, and significantly geared to any increase in commodity prices or depreciation of the rand. We are, however, cognisant of the risks posed should the economic environment deteriorate further and, in this regard, have initiated a detailed review across our operations. This review is at an advanced stage and we are confident in our ability to manage our mining assets sustainably and profitably throughout the market cycle.

As discussed in the capital management section, we have already made significant progress evaluating various financial options, which would allow us to significantly reduce debt. These options do not include raising equity capital.

Sibanye-Stillwater has undergone significant change and done so under challenging circumstances at what we believe to be a low point in the commodity price cycle. We are convinced that Sibanye-Stillwater offers fundamental value and is strategically positioned to benefit from any upside in precious metals prices.

RECOGNITION

Sibanye-Stillwater understands the importance of engaged, positive and confident leaders and the active development of a winning culture. And we believe the calibre of our employees will make possible the building of that sort of culture.

I have been fortunate to have enjoyed the unwavering support of all of my colleagues throughout the Group during a period of rapid change and development for Sibanye-Stillwater. But for them, we would not have succeeded in our efforts, and I extend my heartfelt thanks to them all. I remain confident that they will continue to contribute fully to our company's future progress.

Neal Froneman
Chief Executive Officer
29 March 2018

CHIEF FINANCIAL OFFICER'S REPORT

Charl Keyter

Chief Financial Officer

HIGHLIGHTS

- Revenue of R45.9 billion, up 47% from 2016 following the inclusion of the Aquarius and Rustenburg operations for 12 months and Stillwater operations for eight months
- US$1 billion rights offer concluded in May 2017 – almost five times oversubscribed
- Realised synergies of R1 billion in 14 months at the SA PGM operations – well ahead of our stated target of R800 million over three to four years
- US$1.05 billion corporate bonds issued in June 2017 comprising two tranches: a US$500 million five-year (non-call 2) note that carries a 6.125% coupon and a US$550 million eight-year (non-call 4) note that carries a 7.125% coupon
- SA gold operations successfully restructured for sustainability
- A US$450 million six-year convertible bond issued in September 2017 that carries a 1.875% coupon
- US Tax reforms – Federal tax rate reduced from 35% to 21%
- Production and cost guidance achieved

OVERVIEW 2017

Sibanye-Stillwater has, over the past two years, moved from being a gold only company to a uniquely positioned, global, geographically diversified, precious metals producer. The year 2017 was dominated by the acquisition and integration of Stillwater Mining Company (Stillwater) and associated financing of the transaction.

The first step in the financing of the Stillwater acquisition for cash was the syndication of the US$2.65 billion loan, which launched in January 2017 and was oversubscribed by more than US$1 billion. The second step involved the take-out of the bridge financing through a US$1 billion rights offer, a US$1.05 billion dual tranche corporate bond and a US$450 million senior unsecured guaranteed convertible bond. We were very pleased with the support we received through multiple times oversubscription on all three financing alternatives. We further believe that the pricing on both the debt instruments was competitive despite the release of Mining Charter 3 on the eve of the launch of the US$1.05 billion dual tranche corporate bond.

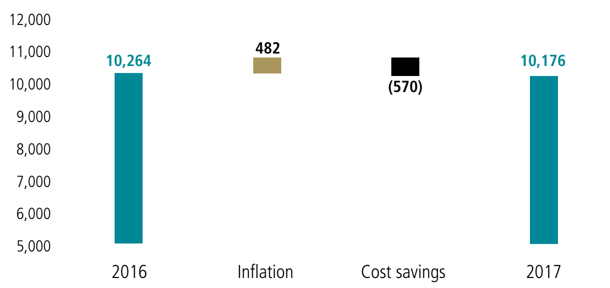
Our rapid growth in the PGM sector, which started with the acquisitions of Aquarius Platinum Limited (Aquarius) and the Rustenburg operations in 2016, followed by the acquisition of Stillwater in 2017, has introduced a significant debt component into the business. Net debt[1] at the end of the year, following the purchase consideration of Stillwater of R28.8 billion, increased from R6.3 billion in 2016 to R23.2 billion in 2017. Our main leverage ratio of net debt:adjusted EBITDA increased from 0.6 times at the end of 2016 to 2.6 times at the end of 2017.

From an operational perspective, the 2017 financial year was negatively impacted by a 9% lower rand gold price received. The impact of the lower rand gold price received, together with lower gold output at Driefontein, Beatrix and Cooke, resulted in reduced revenue from the gold operations of R4.0 billion during 2017. The average basket price received at the SA region's PGM operations was marginally higher at R12,534/4Eoz in 2017, compared with R12,209/4oz in 2016. The marginally higher 4E basket price received and the inclusion of the Aquarius and Rustenburg assets for a full year resulted in revenue from the SA PGM operations increasing by R9.5 billion. The US PGM operations (Stillwater assets) were included in our results from May 2017 and contributed US$688 million (R9.1 billion) in revenue.

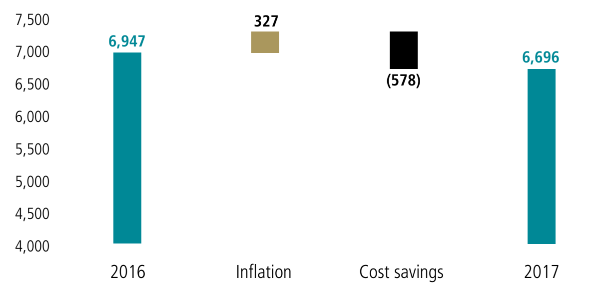
Cost performance at the SA PGM operations was particularly pleasing during 2017. The AISC per 4Eoz at Kroondal, Platinum Mile and Rustenburg reduced year on year following an intensive effort to drive the synergy cost savings identified. After accounting for inflation, the AISC reduced by R570/4Eoz, R578/4Eoz and R886/4Eoz respectively at Kroondal, Platinum Mile and Rustenburg. Unit costs at Mimosa, a 50% equity-accounted investment reduced from US$765/4Eoz in 2016 to US$735/4Eoz in 2017. Unit costs at the SA Gold operations were primarily affected by the unsustainably high costs associated with the Cooke operations. These were placed on care and maintenance at the end of October 2017, following a Section 189 labour rationalisation process. The AISC (excluding the Cooke operations), amounted to R468,060/kg in 2017 compared with R450,152/kg in 2016, a 4% increase year on year. The AISC at the US PGM operations for 2017 was in line with 2016 at US$651/2Eoz.

Capital expenditure increased from R4.2 billion in 2016 to R6.1 billion in 2017. Capital expenditure at the SA gold operations declined from R3.8 billion in 2016 to R3.4 billion, mainly due to lower expenditure at the Burnstone project, and a decision to stop capital expenditure at the Cooke operations based on their profitability. Capital expenditure at the SA region's PGM operations increased from R0.3 billion in 2016 to R1.0 billion in 2017, mainly due to the inclusion of the Aquarius and Rustenburg operations for the full year. Capital expenditure at the US PGM operations for the eight months was US$124 million (R1.7 billion) of which US$67 million (R0.9 billion) was spent on the Blitz project.

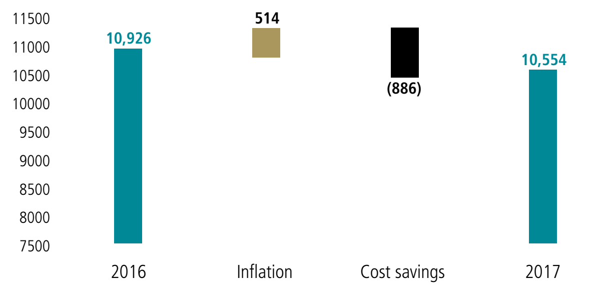
Kroondal: AISC (R/4E oz)



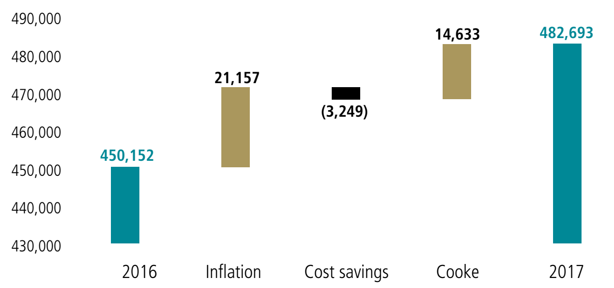
Platinum Mile: AISC (R/4E oz)



Rustenburg: AISC (R/4E oz)



SA region gold operations: AISC (R/kg)



CHIEF FINANCIAL OFFICER'S REPORT CONTINUED

Summarised consolidated income statement – for the year ended 31 December

Figures in million - SA rand	2017	Revised 2016 [4]
Revenue	**45,912**	31,241
Cost of sales	**(42,182)**	(24,751)
Finance expense	**(2,972)**	(903)
Loss on financial instruments	**(1,114)**	(1,033)
Impairments	**(4,411)**	(1,381)
Occupational healthcare expense	**(1,107)**	–
Gain on acquisition	**–**	2,179
Restructuring costs	**(730)**	(188)
Net other	**(377)**	(353)
(Loss)/profit before royalties and tax	**(6,981)**	4,811
Royalties	**(399)**	(566)
(Loss)/profit before tax	**(7,380)**	4,245
Mining and income tax	**2,947**	(1,202)
(Loss)/profit for the year	**(4,433)**	3,043
Attributable to:		
Owners of Sibanye-Stillwater	**(4,437)**	3,474
Non-controlling interests	**4**	(431)
Earnings per share attributable to owners of Sibanye-Stillwater		
Basic earnings per share - cents	**(229)**	225
Diluted earnings per share - cents	**(229)**	225

The Group's **revenue** increased by 47%. This includes R13,276 million from the SA PGM operations and R9,162 million from the US PGM operations. The increase at the SA PGM operations was mainly due to the inclusion of R10,221 million from the Rustenburg operations for the full year in 2017 compared with R1,656 million for two months in 2016.

Revenue from the SA gold operations decreased by 15% driven by the average rand gold price, which decreased by 9%, and the volume of gold sold, which decreased by 7%. The decrease in the average rand gold price from R586,319/kg in 2016 to R536,378/kg was due to the 9% stronger rand of R13.31/US$ in 2017 compared with R14.68/US$ in 2016.

Cost of sales increased by 70%. This includes R12,353 million from the SA PGM operations and R8,443 million from the US PGM operations. The increase at the SA PGM operations was mainly due to the inclusion of R9,581 million from the Rustenburg operations for the full year in 2017 compared with R1,641 million for two months in 2016. The cost of sales at the SA gold operations increased by 3% due to above inflation wage and other cost increases, partly offset by the cessation of underground operations at Cooke.

The **finance expense** increased to R2,972 million from R903 million. The increase was primarily due to the increase in average indebtedness to fund the Stillwater acquisition. Sibanye-Stillwater's average outstanding gross debt, excluding the Burnstone Debt, was approximately R16.2 billion in 2017 compared with approximately R4.6 billion in 2016.

The **loss on financial instruments** of R1,114 million was mainly impacted by the increased profitability at the Rustenburg operations resulting in an increased purchase price based on 35% of future cash flows (R469 million), increased dividend expectations for our 26% BEE partners (R153 million) and a decrease in the Anglo American Platinum receivable which afforded us up to R800 million downside protection (R468 million).

In view of sustained losses at the Cooke operations and at Beatrix West, and despite extensive efforts to improve productivity and reduce cost structures a decision was taken during the six months ended 30 June 2017 to **impair** the mining assets at Cooke 1, 2 and 3 by R2,187 million and Beatrix West by R604 million. Following the announcement of the DRDGOLD Transaction, and the low uranium price environment, a decision was taken to impair the WRTRP exploration and evaluation assets, and allocated goodwill by R1,344 million. In addition, as no further exploration expenditure is planned for 2018, a decision was taken to impair the De Bron Merriespruit exploration and evaluation asset by R227 million.

As a result of the progress made by the Occupational Lung Disease Working Group and engagements with affected stakeholders since 31 March 2017, management is now in a position to reliably estimate the Company's potential share of a possible **settlement of the class action claims and related costs** against the South African gold mining industry. The Company has provided R1,107 million before tax.

The cessation of mining at the Cooke operations and restructuring at the Rustenburg operations contributed **restructuring costs** of R730 million.

The **deferred tax** decreased to a credit of R3,451 million from a charge of R90 million, which was mainly due to the impact of the Tax Cuts and Jobs Act in the United States, signed into legislation on 22 December 2017. As a result the deferred tax rate changed from 37.7% to 24.2% and a deferred tax benefit of US$205 million (R2,532 million) was recognised.

Summarised consolidated statement of financial position – at 31 December

Figures in million - SA rand	2017	Revised 2016[4]
ASSETS		
Non-current assets	**64,067**	34,018
Property, plant and equipment	**51,445**	27,241
Goodwill	**6,396**	936
Equity-accounted investments	**2,244**	2,157
Environmental rehabilitation obligation funds	**3,492**	3,101
Other receivables	**284**	355
Deferred tax assets	**206**	228
Current assets	**12,005**	7,703
Inventories	**3,527**	677
Trade and other receivables	**6,198**	5,748
Other receivables	**35**	310
Tax receivable	**183**	–
Cash and cash equivalents	**2,062**	968
Total assets	**76,072**	41,721
EQUITY AND LIABILITIES		
Total equity	**23,998**	16,469
Non-current liabilities	**43,636**	18,995
Borrowings	**23,992**	8,222
Derivative financial instrument	**1,094**	–
Environmental rehabilitation obligation	**4,679**	3,982
Post-retirement healthcare obligation	**11**	16
Occupational healthcare obligation	**1,153**	-
Share-based payment obligations	**422**	246
Other payables	**3,760**	1,614
Deferred tax liabilities	**8,525**	4,915
Current liabilities	**8,438**	6,257
Borrowings	**1,658**	752
Occupational healthcare obligation	**1**	–
Share-based payment obligations	**12**	235
Trade and other payables	**6,690**	5,181
Other payables	**42**	–
Tax and royalties payable	**35**	89
Total equity and liabilities	**76,072**	41,721

During 2017, Sibanye-Stillwater acquired Stillwater for US$18 per share in cash, or US$2,200 million in aggregate.

Figures in million - SA rand	US dollar	SA rand
Consideration	**2,201**	28,751
Less: Fair value of identifiable net assets acquired	**1,751**	22,877
Property, plant and equipment	**2,293**	29,949
Other non-current assets	**7**	91
Inventories	**160**	2,085
Current investments	**279**	3,642
Cash and cash equivalents	**137**	1,792
Other current assets	**37**	487
Environmental rehabilitation obligation	**(24)**	(312)
Deferred tax liabilities	**(573)**	(7,486)
Other non-current liabilities	**(20)**	(260)
Borrowings	**(455)**	(5,938)
Trade and other payables	**(88)**	(1,150)
Other current liabilities	**(2)**	(23)
Goodwill	**450**	5,874

The acquisition of Stillwater was financed by a US$2.65 billion bridge loan (Stillwater Bridge Facility). The Stillwater Bridge Facility was repaid through the US$1 billion rights offer, US$1.05 billion dual tranche corporate bond and US$450 million convertible bond. The convertible bond includes an option component, that is recognised as a derivative financial instrument.

Gearing

Figures in million - SA rand	2017	2016
Borrowings[1]	**25,206**	7,221
Cash and cash equivalents[2]	**2,030**	928
Net debt[3]	**23,176**	6,293
Adjusted EBITDA	**9,045**	10,270
Net debt[3]: adjusted EBITDA (ratio)	**2.6**	0.6

[1] Borrowings are only those borrowings that have recourse to Sibanye-Stillwater. Borrowings, therefore, exclude the Burnstone Debt and include the derivative financial instrument

[2] Cash and cash equivalents exclude cash of Burnstone

[3] Net debt represents borrowings and bank overdraft less cash equivalents. Borrowings are only those borrowings that have recourse to Sibanye-Stillwater and therefore exclude the Burnstone Debt and include the derivative financial instrument. Net debt excludes Burnstone cash and cash equivalents

[4] The comparatives for 2016 have been revised retrospectively in terms of IFRS 3 Business Combinations after the acquisition accounting of the Rustenburg operations was finalised, and the earnings per share calculations for 2013 to 2016 have been adjusted retrospectively as required by IAS 33 earnings per share to reflect the bonus elements of the rights issue and capitalisation issues

CHIEF FINANCIAL OFFICER'S REPORT CONTINUED

FOCUS AREAS – 2018

The deleveraging of the company will be the primary focus through cash flow generation, earnings growth and alternative financing solutions which may include pipeline financing and metal streams. In order to maintain adequate liquidity, the refinancing and upsizing of the US$350 million RCF, maturing on 23 August 2018, to US$600 million, has been launched. The facility has been fully syndicated with a group of eight international banks having provided commitment letters. The facility documentation is expected to be executed by the end of March 2018. The terms and conditions largely mirror the current US$350 million RCF which is US$92 million drawn as at 31 December 2017. On successful completion an additional US$250 million (R3,000 million) of committed unutilised financing would be available.

The debt maturity profile for the group is illustrated in figure 1. An indicative deleveraging profile using various commodity prices and exchange rates is shown in figure 2 and indicates the estimated time frame under the various assumptions for us to reach our internal target of 1 times net debt:adjusted EBITDA.

In addition, the recent strong performance of the rand against the dollar continues, putting pressure on our SA gold and PGM operations. We are well within our current net debt to EBITDA covenant of 3.5 times which reverts back to 2.5 times after the end of 2018. Regional management is in the process of replanning these operations to enable us to operate and meet our commitments in a sustained low rand commodity price environment.

Figure 1: Debt maturity profile as at 31 December (R million)

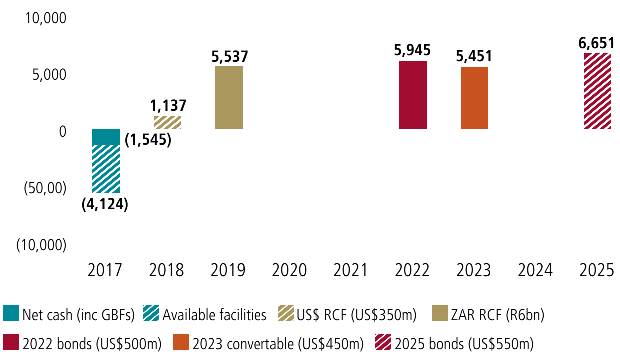
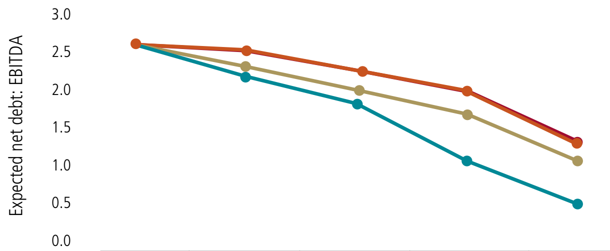


Figure 2: Debt maturity profile as at 31 December 2017



2017	2018	2019	2020	2021
2.56 x	2.14 x	1.78 x	1.02 x	0.45 x
2.56 x	2.27 x	1.96 x	1.64 x	1.02 x
2.56 x	2.49 x	2.22 x	1.95 x	1.28 x
2.56 x	2.48 x	2.22 x	1.94 x	1.24 x

Consensus – Jan 2018 Spot 30 Jan 2018 Spot 13 Feb 2018 Budget 2018

Source: Bloomberg, company forecasts

ACKNOWLEDGEMENT

I continue to be supported by a strong and diligent finance team across the Sibanye-Stillwater group. The group has been able to mitigate some of the adverse consequences relating to the volatile global environment in which we operate, through proactive responses by the financial team. We continue to provide relevant, qualitative information and reporting to all our stakeholders that reflect our objectives and values. I would like to take this opportunity to thank the financial team for their unwavering support and look forward to 2018.

Charl Keyter
Chief Financial Officer
29 March 2018

MANAGING OUR MATERIAL RISKS

MESSAGE FROM THE CEO

"Understanding our risks and ensuring we have appropriate measures in place to mitigate and manage these risks, which enable us to take decisive action to realise opportunities in pursuit of our strategy, is vital for us to continue delivering sustainable value."

Neal Froneman – Chief Executive Officer

The management of our material risks entails identifying those variables, both in our external operating environment and within the company, and understanding how they might impact Sibanye-Stillwater's ability to deliver on our strategy and achieve our strategic objectives.

Action plans are then developed and steps taken to mitigate and manage the risks identified. Simultaneously, this process enables us to identify potential opportunities for which action plans are developed and implemented, to enable Sibanye-Stillwater to fully benefit from them.

SUMMARY OF TOP 10 MATERIAL RISKS

For the 2017 year, the company identified and monitored the following top 10 material risks for the Group. As a result of recent acquisitions, which have diversified the Group geographically and in terms of the commodities produced (and hence revenue sources), there has a been a significant shift in the material risks facing the company. Diversification has reduced the potential impact of some risks which were previously considered material, but by increasing its global reach and commodity mix, additional complexities have been introduced. Further detail on each risk and mitigation measures can be found on page 39.

Ranking	Description	Comparison with risks 2016	
1	Failure to optimally integrate regional acquisitions and ensure ongoing operational delivery on targets	**Incorporates the following risks from 2016:** Delivery on operational plans Operating cost management	 **(1)** **(6)**
2	Ability to access, service and repay debt due to external and internal factors which may impact on cash flow	**Incorporates the following risks from 2016:** Delivery on operational plans Operating cost management Optimising business case efficiencies for acquisitions Functional infrastructure	 **(1)** **(6)** **(3)** **(10)**
3	Adverse regulatory changes and socio-political instability	**Incorporates the following risks from 2016:** Macro-economic trend management Political stability Labour relations	 **(7)** **(8)** **(9)**
4	Further deterioration in South African rating and potential adverse impact on valuations and cost of financing	New risk*	
5	Cost and impact of ensuring governance, regulatory, legal and accounting compliance across multiple regions and additional requirements of multi-commodity production	New risk*	
6	Maintaining and obtaining operating licences and other permits in uncertain political and regulatory environments	**Incorporates the following risk from 2016:** Regulatory compliance and commitments relating to the MPRDA, Mining Charter and SLPs	**(5)**
7	Safety, health and environmental incidents	**Incorporates the following risk from 2016:** Health and safety compliance	**(2)**
8	Unrealistic expectations for business to uplift communities in South Africa	New risk*	
9	Under-delivery on operational targets owing to external factors	**Incorporates the following risk from 2016:** Combatting/addressing product theft and illegal mining	**(4)**
10	Maintaining positive relations with employees and creating alignment with business strategy and goals	New risk*	

** New risks due to changing business environment*

MANAGING OUR MATERIAL RISKS CONTINUED

ENTERPRISE RISK MANAGEMENT

During 2017, Sibanye-Stillwater embarked on a process to update our risk management framework to take into account the recommendations of the Committee of Sponsoring Organisations of the Treadway Commission (COSO), the updated ISO 31000:2018 – risk management framework, and the King IV Report on Corporate Governance for South Africa, 2016 (King IV). The updated risk management framework was adopted in September 2017. In aligning with King IV, risk management has been integrated with and linked directly to our strategy and our ability to achieve our strategic objectives. Our risk management process has also been expanded to consider opportunities as well as risks.

Risk management is a continuous, proactive and dynamic process designed to identify, understand, manage and communicate those risks and opportunities that may have an impact on Sibanye-Stillwater's achieving its strategic business objectives. The group-wide risk assessment process was enhanced to ensure that our strategic objectives are included at all levels of risk determination, to ensure congruency across the company.

An annual independent review of Sibanye-Stillwater's updated enterprise risk management framework, practices and systems and their effectiveness was conducted by an external assurance provider, PwC during 2017. The review confirmed that our risk management framework is compliant with King IV, ISO 31000 and COSO.

In line with its duties and responsibilities, the Board of Directors monitored, reviewed, provided feedback on and approved the components – the related framework, practices and systems – and the process of enterprise risk management.

As part of its ongoing monitoring of risk management, the Board deliberated on and agreed acceptable appetite and risk tolerance levels for key performance areas. Our risk appetite refers to the amount of risk we are willing to take to achieve our strategic objectives and takes into account revenue growth, earnings sustainability, environmental impact, employee well-being, health, safety, the environment, human resources, business plan delivery, licence to operate, ethics and governance.

DETERMINING OUR MATERIAL RISKS AND OPPORTUNITIES

Sibanye-Stillwater considers a risk and/or an opportunity to be material if it substantially affects the group's ability to create and sustain value in the short, medium and long term. The process to identify the material risks and opportunities facing Sibanye-Stillwater is three-pronged and involves understanding and taking into account:

- Our external operating environment
- Internal factors that may adversely affect business performance
- Stakeholder attitudes, concerns and expectations (see Stakeholder engagement)

Due understanding and consideration of these factors allows management to identify the most relevant issues which may impact the Group's ability to achieve its strategic and business objectives and create value for all our stakeholders over time. Management evaluates the likelihood and potential impact of material issues occurring, from multiple perspectives, including strategic, financial and operational viewpoints. This results in the most material issues being prioritised and appropriate response plans being developed.

DETERMINING OUR MATERIAL RISKS

1	INITIAL INPUT	**BUSINESS ENVIRONMENT** Analysis of factors in external environment affecting Sibanye-Stillwater's ability to deliver on objectives	+ **STAKEHOLDER ENGAGEMENT** Analysis of issues raised through stakeholder engagement	+ **ENTERPRISE RISK MANAGEMENT** Analysis of information from internal business processes
		Most important issues assessed in terms of ability to impact value creation over time		
2	EVALUATE INPUT	**QUANTITATIVE** Review of issues based on strategic, financial, non-financial and operational aspects	+ **QUALITATIVE** Review of issues based on implications for reputation, licence to operate and compliance concerns	
3	REVIEW AND PRIORITISE	Application of filters for risk determination and allocation of responsibilities to ensure control and further mitigation		
4	DETERMINE MATERIAL ISSUES	Significant material issues agreed and appropriate responses determined		

OUR OPERATING ENVIRONMENT – EXTERNAL AND INTERNAL

NEW OPERATING CONTEXT

Our operating context has changed significantly over the past few years. Sibanye-Stillwater now operates across geographical regions and produces a more diverse commodities mix, which have had an impact on our risks and opportunities.

Sibanye-Stillwater's diversification into the PGM sector, and establishing a significant operational presence in the United States, has already delivered clear benefits in 2017. While maintaining the Group's gold exposure, which provides a solid underpin, the Group enjoyed the counter-balancing effect of exposure to both platinum and palladium as market price trends for the two metals diverged. The South African mining industry is currently facing severe margin pressure due to the strong rand, and Sibanye-Stillwater's US PGM operations provide welcome diversification away from the strong rand and positive exposure to the elevated palladium price.

Our view on the outlook for the precious metals we produce is covered in the Chairman's perspective earlier in this report, along with the possible impacts of the recent political shift in South Africa, on the economy, the local mining industry and the Group. The strategic and operational benefits of recent and pending acquisitions is covered in more detail in the CEO's review, with relevant financial aspects discussed in the CFO's report.

Operational and executive management, the Risk Committee and the Board continually identify, prioritise and monitor all risks and materials issues throughout the year. As a result of the significantly different external and internal context in which the Group now operates, a specific strategic review of risks and opportunities was conducted in the last quarter of 2017 to take into account Sibanye-Stillwater's new organisational structure and positioning, and evaluate how the company's risk profile had evolved.

The strategic review identified the following adjustments, emerging risks and opportunities:

- The change in our operating footprint has secured geographic diversification as well as increased exposure to PGM markets, and to palladium in particular. This has reduced the risks related to regional concentration of assets and single commodity and currency exposure. Sibanye-Stillwater now has a natural hedge against exchange rate fluctuations and is exposed to a wider basket of commodity prices than previously. This provides greater certainty in relation to operational cash flow generation.
- The US region represents a relatively low risk environment from most perspectives, with environmental management and associated commitments to local communities representing the most critical focus area. Environmental permitting is the primary risk to the realisation of further mining brownfields growth opportunities at the US PGM operations, although the Stillwater operations have previously secured permits that provide for steady production and ramp up over a life in excess of 30 years.
- While recent political changes in South Africa have resulted in substantial strengthening of the South African rand, which is placing short-term pressure on margins from the SA region's operations, the risks related to any adverse implications for business effectiveness due to unfavourable regulation and policy as well as disruption due to social unrest are potentially much reduced. An improved policy and regulatory environment improves, have positive implications for industry investment and growth, which will bring benefits to all stakeholders in the long term. The spectre of sustained rand strength, does however necessitate revision of operating plans and consideration of alternative mechanisms for managing debt, including from forward commodity sales and streaming, pipeline inventory financing, reductions in working capital and disposals of non-core assets.
- The announced transaction with DRDGOLD provides Sibanye-Stillwater with immediate realisation of value and a lower risk exposure to the value potential of the surface tailings resources on the West Rand, as well as the broader scope of DRDGOLD operations.
- The proposed transaction to acquire Lonmin may provide Sibanye-Stillwater with lower cost processing options and other synergies and enhanced direct access to global PGM metal markets, which will contribute modestly to reducing the company's commodity price risk exposure. The risk relating to potential changes in the inherent value of Lonmin prior to the acquisition taking place is adequately catered for by the requirement for a positive vote by Sibanye-Stillwater shareholders shortly prior to consummation of the transaction. This includes whatever outcomes may be reached around the allegations of non-compliance with social and labour plans (SLPs). While the Lonmin transaction will increase Sibanye-Stillwater's exposure to communities in the Rustenburg district, a more substantial presence, coupled with effective methodologies for community engagement, are considered adequate to manage this risk effectively to the benefit of all stakeholders.

STAKEHOLDER ENGAGEMENT AND RISK MITIGATION

Effective and ongoing stakeholder engagement is essential for the Group to identify potentially material issues and risks and manage stakeholder expectations. Positive, transparent stakeholder engagement is a two-way process. It enables Sibanye-Stillwater to better manage and mitigate our risks and issues, by reducing their impact and likelihood. Similarly, it also enables us to take advantage of opportunities when these present themselves.

Constructive, meaningful relationships with stakeholders are vital to retaining our social and legal licence to operate.

A comprehensive communications strategy is in place to oversee stakeholder engagement and manage expectations. As a responsible corporate citizen, Sibanye-Stillwater fosters and maintains constructive engagement with all stakeholders in order to deliver on our vision and strategy, to maintain our licences to operate, and ultimately for our long-term success and sustainability.

MANAGING OUR MATERIAL RISKS CONTINUED

STAKEHOLDERS AND RELATED CONCERNS

Stakeholders	Focus of engagement
Investors, market analysts and providers of capital	• Operating and financial performance • Delivery on strategic objectives • Managing and guiding shareholder expectations and forecasts • Engagement with rating agencies and bond investors **Related risks: (1), (2), (3), (4), (6) and (7)**
Employees and organised labour	• People@Sibanye-Stillwater initiative – refer to *Superior value for the workforce* for further detail • Safety and health • Operating, financial safety and environmental targets • Motivate participation in optimisation of processes and systems • Training and development, and skills retention • Wage negotiations • Labour relations environment • Indebtedness **Related risks: (1), (3) (5), (6), (7), (8) and (10)**
Communities and consultative forums	• Community expectations • Employment opportunities • Local procurement and enterprise development and related opportunities • Local economic development • Environmental impacts of mining • Illegal mining • Legacy health concerns **Related risks: (3), (4), (5), (6), (7), (8) and (10)**
Regulators and government – national, provincial and local	• Close collaboration with local municipalities and other community structures is an important aspect of socio-economic development project planning and implementation • Employee safety and health • Section 54 safety-related stoppages • Environmental compliance • Mining licences, particularly regulatory compliance with SLP commitments and Mining Charter targets, including procurement, transformation, mine community development, housing and living conditions • Legacy health issues (silicosis and the mining industry's Working Group on Occupational Lung Disease OLD) **Related risks: (3), (5), (6) and (7)**
Suppliers and contractors (business partners)	• Cost management and improving productivity • Mining licence commitments in terms of preferential procurement and Mining Charter targets, especially as related to the development and growth of SMMEs and skills enhancement **Related risks: (1), (2), (5) and (6)**
Chamber of Mines and peers	• Issues of major concern to the industry as a whole, for example, the discussions and negotiations around the release of the reviewed Mining Charter in mid-2017 and other legislation pending such as the proposed carbon tax and amendments to the financial provisions of the National Environment Act, 107 of 1998 (NEMA) • Safety and health, and in particular silicosis and OLD • Industry-wide labour relations • Wage negotiations • Illegal mining and theft, as an industry-wide issue **Related risks: (1), (3), (4), (5), (6), (7), (8) and (9)**

TOP 10 RISKS AND RELATED MITIGATING ACTIONS IN 2017

RANKING METHODOLOGY

The top 10 risks have been ranked on their residual risk, based on exposure levels after controls have been applied

		Description	Mitigating action	Residual risk rating	Risk tolerance	Source of risk
1	**Failure to optimally integrate regional acquisitions and ensure ongoing operational delivery on targets**	The geographic expansion of the Group with the acquisition of the US operations could impact the ongoing delivery on regional business, operational and growth targets. Management capacity and focus was a primary concern	• Organisational structure changed from commodity focus to regional focus • Capacity added where appropriate in the regions • Strategic and operational planning processes implemented • Frequent and regular reviews of strategic and operational plans	Medium	• Achievement of targets for business and operational plans	INTERNAL
2	**Ability to access, service and repay debt due to external and internal factors which may impact on cash flow**	Servicing and reducing debt is a primary focus of the Group. This may be affected by poor operational delivery due to internal factors or due to external disruptions. The ability to service debt is also affected by fluctuations in external revenue drivers such as currencies and commodity prices	• Frequent and regular reviews and tracking of operational performance • Cash and balance sheet management including mechanisms for accelerating revenue such as commodity sales, reductions in working capital and disposals of non-core assets • Revenue management through currency and commodity hedging • Appropriate capital structure/management • Financial risk mitigation measures	Medium	• Achievement of targets for business and operational plans • Achieving planned deleveraging trajectory	EXTERNAL AND INTERNAL

MANAGING OUR MATERIAL RISKS CONTINUED

TOP 10 RISKS AND RELATED MITIGATING ACTIONS IN 2017 CONTINUED

		Description	Mitigating action	Residual risk rating	Risk tolerance	Source of risk
3	**Adverse regulatory changes and socio-political instability**	Adverse changes in the South African regulatory environment, political instability and social instability could disrupt operations and affect investor confidence	• Regular and transparent stakeholder engagement • Legal challenge through Chamber of Mines to potential adverse legislation • Comprehensive detailed training and monitoring of compliance with laws and regulations	Medium	• Compliance with key laws and with the legal and social requirements for the SLPs and Mining Charter targets • Repeal of Mining Charter 3	EXTERNAL
4	**Further deterioration in South African rating and potential adverse impact on valuations and cost of financing**	South African rating downgrades negatively impacting on cost of financing and adding to discount applied to South African companies by the market. Lower share price rating negatively impacts on growth	• Conservative debt management • Regular interaction with investment banks on market conditions • Regular shareholder interaction and engagement	Medium	• Achievement of targets for business and operational plans	INTERNAL AND EXTERNAL
5	**Cost and impact of ensuring governance, regulatory, legal and accounting compliance across multiple regions and additional requirements of multi-commodity production**	Our changed geographical landscape has resulted in exposure to different legislative, governance and compliance requirements. Rapid regulatory changes in countries where we operate can affect operating costs	• Comprehensive detailed training on and monitoring of compliance with laws and regulations • Regular engagement with regulators and national authorities • Cost containment	Medium	• Compliance with key laws and with the legal and social requirements for the SLPs and Mining Charter targets • Achievement of business and operational plans	EXTERNAL
6	**Maintaining and obtaining operating licences and other permits in uncertain political and regulatory environments**	Our legal and social licences to operate may be impacted by policy and regulatory changes. In the South Africa region, these licences for our operations are exposed to the uncertainty around the Mining Charter	• Comprehensive detailed training on and monitoring of compliance with laws and regulations • Regular engagement with regulators and national authorities	Medium	• Compliance with key laws, and with the legal and social requirements for SLPs and Mining Charter targets	EXTERNAL

TOP 10 RISKS AND RELATED MITIGATING ACTIONS IN 2017 CONTINUED

		Description	Mitigating action	Residual risk rating	Risk tolerance	Source of risk
7	**Safety, health and environmental incidents**	Mining operations can affect the safety and health of employees. In addition, mining activity can adversely impact the natural environment	• A robust safety strategy and policies aligned with our overall strategy are in place • Ongoing monitoring of compliance with these policies • Ongoing stringent environmental monitoring and compliance • Health and safety auditing to ensure compliance	Medium	• Improved safety statistics compared to prior periods and better than industry norms • Low tolerance for activities that may have a significant adverse effect on the natural environment	INTERNAL
8	**Unrealistic expectations for business to uplift communities in South Africa**	Social instability and increased unemployment could result in community activism in the areas where we operate	• Effective implementation and management of stakeholder engagement strategy • Strengthen partnerships with stakeholders to assist with better delivery on Sibanye-Stillwater's commitments	Medium	• Compliance with key laws, and with the legal and social requirements for SLPs and Mining Charter targets	EXTERNAL
9	**Under-delivery on operational targets owing to external factors**	External factors including cyber-attacks, natural disasters, theft of product and assets, community unrests that could affect the achievement of business and operational targets	• Stakeholder engagement strategy in place • Early detection warning systems to minimise disruptions • Business continuity plans in place to minimise business and system disruptions • Insurance cover	Medium	• Achievement of targets for business and operational plans • Compliance with key laws and with the legal and social requirements for SLPs and Mining Charter targets	EXTERNAL
10	**Maintaining positive relations with employees and creating alignment with business strategy and goals**	Employees not aligned with company vision and values may result in poor productivity, a high employee turnover ratio and the lack of motivation. In extreme cases employee dissatisfaction can result in strikes, sabotage of operations and an increase in fraud and illegal mining	• The People@Sibanye initiative is aimed at promoting a people-centric culture • Ongoing employee engagement and feedback • Talent pool identification and development	Medium	• Employee capacity cover ratio applied for scarce and critical skills in place	INTERNAL

* *Action plans have been compiled for all risks should tolerance levels be exceeded. Such instances are reported to the Risk Committee, which monitors all aspects of our risks*

SECTION 03

PERFORMANCE REVIEW

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

MESSAGE FROM THE CEO

"The year 2017 was operationally and strategically significant for Sibanye-Stillwater."

Neal Froneman – Chief Executive Officer

OPERATIONS

APPROACH

Sibanye-Stillwater is uniquely positioned to deliver, tangible value to all of its stakeholders, consistent with our vision and values. The SA and US regions have developed effective strategies to sustain and improve operational and financial delivery with strong leadership teams in place to lead the execution of our strategy.

PERFORMANCE

The strong operating and cost performance across the expanded Group during 2017, particularly in the second half of the year, reinforced the appropriateness of the decision to restructure the business regionally in order to ensure role clarity and sustainable operational delivery.

Operating highlights of the year included the smooth integration of the US operations into the Group. In addition, the ongoing integration of the PGM operations in the SA region, and that of the Rustenburg operations in particular, exceeded expectations. The gold operations in the SA region were restructured to ensure their sustainability.

In total, Sibanye-Stillwater produced 1.8Moz of PGMs (platinum, palladium, rhodium, gold, ruthenium and iridium) and 1.4Moz of gold (2016: 0.5Moz and 1.5Moz, respectively).

SA REGION

Both the gold and PGM operations in the SA region delivered annual production above guidance and costs below the guided range.

Gold operations

Gold produced declined 7% year-on-year to 43,634kg (2016: 47,034kg), primarily due to the cessation of underground operations at Cooke. The SA gold operations recorded an AISC of R482,693/kg (US$1,128/oz), as compared with R450,152/kg (US$954/oz) in 2016.

Underground production from the Cooke operations decreased by 52% to 2,338kg, 75,200oz (2016: 4,853kg, 156,000oz) as a result of Cooke 4 shaft being placed on care and maintenance towards the end of September 2016, and at the Cooke 1, 2 and 3 shafts being placed on care and maintenance at the end of October 2017. This will negatively impact the gold production in 2018, but is expected to favourably affect AISC for the gold operations in 2018.

At Beatrix, underground gold production decreased by 8% to 8,859kg, 284,800oz (2016: 9,601kg, 308,700oz), primarily due to re-planning at the Beatrix West shaft. The reduction allowed greater flexibility, reduced costs and addressed constraints underground. Given the Section 189 consultations, the remainder of Beatrix shafts experienced restrictions in filling their critical labour complement, which impacted production volumes. Gold production from surface sources decreased by 47% to 232kg, 7,500oz (2016: 440kg, 14,100oz) due to a similar decline in throughput as surface sources were depleted.

Underground production at Driefontein of 13,262kg; 426,400oz (2016: 13,920kg, 447,600oz) was 5% lower year-on-year, due to an 8% decline in yield partially offset by a 4% increase in throughput. The decrease in grade was primarily due to lower grades at the Driefontein 5 and 8 shafts, which were expected and in line with plan. Gold production from surface sources decreased by 21% to 1,742kg (2016: 2,210kg), in line with the decline in yield owing to depletion of the higher-grade surface resources. Surface throughput remained steady at 3.9Mt.

Kloof delivered another strong performance with underground production increasing by 8% to 14,826kg; 476,700oz (2016: 13,704kg, 440,600oz) and surface production by 7% to 1,606kg; 51,600oz (2016: 1,506kg, 48,400oz). Higher underground mining volumes resulted in an 8% increase in ore milled to 2.2Mt. Surface throughput increased by 34% to 3.6Mt, owing to the greater volumes of Venterspost surface material treated at the Ezulwini plant, post the closure of Cooke 4.

PGM operations

The integration of the Rustenburg operations exceeded expectations by consistently delivering solid production and improving financial results. Cost savings of over R1 billion were achieved from synergies realised in the first 14 months of incorporation, well ahead of initial expectations of savings of R800 million over three to four years. The SA PGM operations contributed R1.6 billion (US$120 million) (18%) to the Group adjusted EBITDA in 2017 on the back of effective cost management, boosted by improving PGM prices.

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

CONTINUED

The SA PGM operations reported attributable 4E PGM production of 1.2Moz (2016: 0.4Moz). The year-on-year, increase was a result of both Kroondal and Rustenburg being included for a full 12 months in 2017. Attributable production of 4E PGM at Kroondal was higher at 241,225oz, another record performance since it started mining in 2001 and 35% higher than in 2016, while 4E PGM production at Rustenburg for the year was 809,527oz. Attributable 4E PGM production at Mimosa increased by 36% to 124,153oz.

The SA PGM operations had an AISC of R10,399/4Eoz (US$782/4Eoz), which is in the lower half of the industry cost curve.

US REGION

The executive team for the US region has been finalised and is now well placed to oversee and to ensure continued delivery.

PGM operations

The US PGM operations, comprising the Stillwater mine (including the Blitz project), the East Boulder mine and the Columbus Metallurgical Complex (made up of the recycling operations, smelter, base metals refinery and analytical laboratory) were incorporated into the Sibanye-Stillwater Group effective from 4 May 2017.

Our ownership of the US region assets has coincided with the palladium price rising by more than 60% since the acquisition was announced in December 2016. The integration of the US PGM operations has proceeded smoothly, with steady operating results and the critical Blitz project being commissioned three months ahead of plan. The US PGM operations contributed R2.1 billion (US$161 million) (24%) to Group adjusted EBITDA in the eight months since acquisition. Notably, the recent strength in the rand, which has impacted the margins of all the SA region mining operations, has provided welcome diversification and supported the fortuitous timing of the acquisition.

A detailed, independent competent person's report (CPR) released in November 2017 values the US assets at approximately US$2.73 billion, which exceeds the US$2.24 billion acquisition price (including transaction fees of US$40 million) and supports the rationale for the transaction. This report is available on the Sibanye-Stillwater website at www.sibanyestillwater.com

The US PGM operations recorded an AISC of US$651/2Eoz for the eight months in 2017.

For the eight months under Sibanye-Stillwater's control, the US PGM operations sustained their operating performance and reported 2E PGM production of 376,356oz. This compares favourably with mined 2E PGM production of approximately 363,874oz for the same period in 2016 and the 2017 guidance. East Boulder delivered record 2E PGM production of 93,725oz during the eight-month period while Stillwater contributed 282,631oz, which includes production of approximately 7,000oz by the Blitz project which was commissioned three months ahead of schedule.

The Columbus Metallurgical Complex processed a record of 860,711oz (mined: 383,142oz and recycled: 477,569oz, including ounces tolled) during the eight months in 2017. This performance was supported by strong growth in volumes at the recycling operation during this period with a record average of feed material being processed of 24.2 tonnes/day compared with 23.0 tonnes/day in 2016.

US region: PGM production and recycling for May – December 2017

Mined 2E production	Ounces
Stillwater[1]	228,268
East Boulder	148,088
Total mined	**376,356**
Recycling 3E[2]	
Columbus Metallurgical Complex	
– PGM fed	517,148
– PGM sold	377,793
PGM tolled returned	108,728

[1] Includes 7,000oz produced by the Blitz project
[2] Recycling production includes rhodium

SA region – Gold operations 2017

		Gold operations	Driefontein	Kloof	Beatrix	Cooke
Production						
Ore milled	000t	19,030	6,042	5,844	3,515	3,722
Underground	000t	7,575	2,137	2,177	2,737	524
Surface	000t	11,455	3,905	3,667	778	3,198
Yield	g/t	2.29	2.48	2.86	2.59	0.83
Underground	g/t	5.19	6.21	6.81	3.24	4.46
Surface	g/t	0.38	0.45	0.45	0.30	0.24
Gold produced	kg	43,634	15,004	16,432	9,091	3,107
	000oz	1,403	482	528	292	100
Underground	kg	39,285	13,262	14,826	8,859	2,338
	000oz	1,263	426	477	285	75
Surface	kg	4,349	1,742	1,606	232	769
	000oz	140	56	52	8	25
Gold sold	kg	43,763	15,088	16,466	9,091	3,118
	000oz	1,407	485	529	292	100
Price and costs						
Gold price received	R/kg	536,378	535,319	537,167	536,333	537,684
	US$/oz	1,254	1,251	1,256	1,254	1,257
Adjusted EBITDA margin [1]	%	23	23	34	19	(31)
All-in sustaining cost [2]	R/kg	482,693	487,951	430,572	502,761	673,445
	US$/oz	1,128	1,141	1,007	1,175	1,574
All-in cost [2]	R/kg	501,620	490,893	439,506	503,036	677,197
	US$/oz	1,173	1,148	1,027	1,176	1,583
Capital expenditure						
Ore reserve development	Rm	2,288	876	876	482	54
Sustaining capital	Rm	531	235	210	63	9
Corporate and projects [3]	Rm	591	44	147	1	12
Total	Rm	3,410	1,156	1,234	546	74
	US$m	256	87	93	41	6

Average exchange rates for 2017 was R13.31/US$

Figures may not add as they are rounded independently

[1] *Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue*

[2] *All-in cost excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings. All-in cost is made up of All-in sustaining cost, being the cost to sustain current operations, given as a sub-total in the All-in cost calculation, together with corporate and major capital expenditure associated with growth. All-in sustaining cost per kilogram (and ounce) and All-in cost per kilogram (and ounce) are calculated by dividing the All-in sustaining cost and All-in cost, respectively, in a period by the total gold sold in the same period*

[3] *Corporate project expenditure in 2017 was R402 million (US$30 million), the majority of which related to the Burnstone project*

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

CONTINUED

SA and US regions – PGM operations 2017

		Group	SA region					US region
			Total	Kroondal	Mimosa	Platinum Mile	Rustenburg	Total
Production (attributable) [6]								
Ore milled	000t	27,051	26,196	3,778	1,385	8,050	12,983	855
Underground	000t	13,116	12,261	3,778	1,385		7,098	855
Surface	000t	13,935	13,935			8,050	5,885	
Plant head grade	g/t	2.50	2.09	2.42	3.58	0.65	2.72	15.01
Underground	g/t		3.30	2.42	3.58		3.70	15.01
Surface	g/t		1.02			0.65	1.52	
Plant recoveries	%	72.37	68.06	81.91	77.87	11.62	71.41	91.00
Underground	%		83.42	81.91	77.87		84.99	91.00
Surface	%		24.25			11.62	31.58	
Yield	g/t	1.81	1.42	1.99	2.79	0.08	1.94	13.69
Underground			2.75	1.99	2.79		3.15	13.69
Surface			0.25			0.08	0.48	
PGM production (4E – 2E)	000oz	1,571	1,194	241	124	19	810	376
Underground		1,460	1,084	241	124		719	376
Surface		110	110			19	91	
PGM sales (4E – 2E)	000oz	1,550	1,194	241	124	19	810	355
Price and costs [2]								
Average PGM basket price	R/oz	12,477	12,534	12,564	12,572	12,679	12,505	12,330
received [3]	US$/oz	938	942	944	945	953	940	927
Adjusted EBITDA margin [4]	%		12	15	31	27	11	23
All-in sustaining cost [5]	R/oz	9,959	10,399	10,176	9,781	6,696	10,554	8,707
	US$/oz	748	782	765	735	503	793	651
All-in cost [5]	R/oz	10,582	10,401	10,176	9,781	6,815	10,554	11,097
	US$/oz	795	782	765	735	512	793	821
Capital expenditure								
Ore reserve development	Rm	1,004	465				465	539
Sustaining capital	Rm	572	568	191	223	11	366	227
Corporate and projects	Rm	891	2			2		888
Total	Rm	2,466	1,035	191	223	13	831	1,654
	US$m	202	78	14	17	1	62	124

Average exchange rate for 2017 was R13.31/US$

Figures may not add due to rounding

[1] *The US PGM operations' results for 2017 are for eight months since acquisition. The US PGM operations' underground production is converted to metric tonnes and kilograms, and performance is translated into SA rand. In addition to the US PGM operations' underground production, the operation treats recycling material which is excluded from the statistics shown, except for adjusted EBITDA margin*

[2] *The Group and total SA PGM operations' unit cost benchmarks exclude the financial results of Mimosa, which is equity accounted, and excluded from revenue and cost of sales*

[3] *The average PGM basket price is the PGM revenue per 4E/2E ounce, prior to a purchase of concentrate adjustment*

[4] *Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue*

[5] *All-in cost excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings. All-in cost is made up of All-in sustaining cost, being the cost to sustain current operations, given as a sub-total in the all-in cost calculation, together with corporate and major capital expenditure associated with growth. All-in sustaining cost per ounce (and kilogram) and all-in cost per ounce (and kilogram) are calculated by dividing the all-in sustaining cost and all-in cost, respectively, in a period, by the total 4E/2E PGM production in the same period*

[6] *Kroondal and Mimosa represent 50% attributable production, while Platinum Mile is 91.7% owned and 100% incorporated*

SA region – Gold operations 2016 (comparative data)

		Total SA gold	Driefontein	Kloof	Beatrix	Cooke
Production						
Ore milled	000t	20,181	5,971	4,676	4,333	5,201
Underground	000t	8,084	2,055	2,009	2,862	1,158
Surface	000t	12,097	3,916	2,667	1,471	4,043
Yield	g/t	2.33	2.70	3.25	2.32	1.09
Underground	g/t	5.21	6.77	6.82	3.35	4.19
Surface	g/t	0.41	0.56	0.56	0.30	0.20
Gold produced	kg	47,034	16,130	15,210	10,041	5,653
	000oz	1,512.2	518.6	489.0	322.8	181.7
Underground	kg	42,078	13,920	13,704	9,601	4,853
	000oz	1,352.9	447.6	440.6	308.7	156.0
Surface	kg	4,956	2,210	1,506	440	800
	000oz	159.3	71.1	48.4	14.1	25.7
Gold sold	kg	46,905	16,046	15,176	10,041	5,642
	000oz	1,508.0	515.9	487.9	322.8	181.4
Price and costs						
Gold price received	R/kg	586,319	585,884	585,853	585,997	595,923
	US$/oz	1,242	1,242	1,242	1,242	1,263
Adjusted EBITDA margin [1]	%	36	40	43	35	9
All-in sustaining cost [2]	R/kg	450,152	421,501	427,036	452,754	588,748
	US$/oz	954	893	905	960	1,248
All-in cost [2]	R/kg	472,585	424,872	435,609	453,232	595,959
	US$/oz	1,002	901	923	961	1,263
Capital expenditure						
Ore reserve development	Rm	2,394.4	779.0	912.9	542.9	159.6
Sustaining capital	Rm	683.5	218.5	261.2	84.8	48.9
Corporate and projects [3]	Rm	746.3	54.1	130.1	0.7	40.7
Total	Rm	3,824.2	1,051.6	1,304.2	628.4	249.2
	US$m	260.5	71.6	88.8	42.8	17.0

Average exchange rates for 2016 was R14.68/US$

Figures may not add due to rounding

[1] *Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue*

[2] *All-in cost excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings. All-in cost is made up of All-in sustaining cost, being the cost to sustain current operations, given as a sub-total in the All-in cost calculation, together with corporate and major capital expenditure associated with growth. All-in sustaining cost per kilogram (and ounce) and All-in cost per kilogram (and ounce) are calculated by dividing the All-in sustaining cost and All-in cost, respectively, in a period by the total gold sold in the same period*

[3] *Corporate project expenditure in 2016 was R521 million (US$35 million), the majority of which related to the Burnstone project*

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

CONTINUED

SA region – PGM operations 2016 (comparative data)

		Total SA region	Kroondal	Mimosa	Plat Mile	Rustenburg
Production (attributable) [6]						
Ore milled	000t	11,611	2,733	1,012	5,669	2,198
Underground	000t	4,949	2,733	1,012		1,204
Surface	000t	6,663			5,669	994
Plant head grade	g/t	1.72	2.48	3.57	0.65	2.69
Underground	g/t	2.99	2.48	3.57		3.65
Surface	g/t	0.73			0.65	1.53
Plant recoveries	%	66.45	81.73	78.44	11.54	72.42
Underground	%	81.76	81.73	78.44		84.54
Surface	%	19.11			12.69	37.42
Yield	g/t	1.13	2.03	2.80	0.08	2.69
Underground		2.44	2.03	2.80		3.09
Surface		0.15			3.57	0.57
PGM production (4E – 2E)	000oz	420.8	178.2	91.1	13.7	137.8
Underground		388.8	178.2	91.1		119.5
Surface		32.0			13.7	18.3
PGM sales (4E – 2E)	000oz	420.8	178.2	91.1	13.7	137.8
Price and costs [1]						
Average PGM basket price received [2]	R/oz	12,209	12,409	12,206	12,497	11,910
	US$/oz	832	846	832	852	811
Adjusted EBITDA margin [3]	%	9	13	37	30	5
All-in sustaining cost [4]	R/oz	10,403	10,264	11,222	6,947	10,925
	US$/oz	709	699	765	473	744
All-in cost [4,5]	R/oz	10,403	10,264	11,222	6,947	10,925
	US$/oz	709	699	765	473	744
Capital expenditure						
Sustaining capital	Rm	325.7	175.8	159.8	1.3	148.7
Corporate and projects	Rm	1.3				
Total	Rm	327.0	175.8	159.8	1.3	148.7
	US$m	22.3	12.0	10.9	0.1	10.1

Average exchange rates for 2016 was R14.68/US$

Figures may not add as they are rounded independently

[1] The total SA PGM operations' unit cost benchmarks exclude the financial results of Mimosa, which is equity accounted, and excluded from revenue and cost of sales

[2] The average PGM basket price is the PGM revenue per 4E/2E ounce, prior to a purchase of concentrate adjustment.

[3] Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue

[4] All-in cost excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings. All-in cost is made up of All-in sustaining cost, being the cost to sustain current operations, given as a sub-total in the all-in cost calculation, together with corporate and major capital expenditure associated with growth. All-in sustaining cost per ounce (and kilogram) and all-in cost per ounce (and kilogram) are calculated by dividing the all-in sustaining cost and all-in cost, respectively, in a period, by the total 4E/2E PGM production in the same period

[5] The comparatives for 2016 have been revised retrospectively in terms of IFRS 3 Business Combinations after acquisition-accounting of the Rustenburg operations was finalised

[6] Kroondal and Mimosa represent 50% attributable production, while Platinum Mile is 91% owned and 100% incorporated. For 2016, Kroondal, Mimosa and Platinum Mile represent 9 months, while Rustenburg operations represent 2 months

FUTURE FOCUS

The development and growth of the Group has been rapid and the strategic imperative for 2018 will be consolidation. Strategic priorities from an operational perspective are to:

- maintain our focus on operational excellence in order to ensure consistent and sustainable delivery on production and costs
- drive down costs in order to enhance competitiveness
- continue the integration and optimisation of recently acquired operations

In the SA region, in particular:

- the proposed transfer of certain gold surface assets on the West Rand to DRDGOLD, for a 38% stake in that company with an option to acquire a majority stake, will enable us to realise immediate value from the West Rand Tailings Retreatment Project (WRTRP) while providing future optionality without the need to incur significant capital investment. The DRDGOLD transaction is expected to close after the end of March 2018
- the proposed acquisition of Lonmin, announced on 14 December 2017 and which remains subject to the successful completion of various conditions precedent, will enable the realisation of significant synergies with their incorporation into Sibanye-Stillwater's SA PGM operations. The fundamental outlook for PGMs continues to improve and we are confident that Sibanye-Stillwater is strongly positioned to deliver significant value in the near term

Our guidance for 2018 is as follows:

	Production	All-in sustaining costs	Capital expenditure
SA region:			
Gold operations	38,500kg – 40,000kg	R475,000/kg – R495,000/kg	R3,500 million
	(1.24Moz – 1.29Moz)	(US$1,130/oz – US$1,180/oz)	(US$268 million)
PGM operations (4E PGM)	1.10Moz – 1.50Moz	R10,750/oz – R11,250/oz	R1,500 million
		(US$825/oz – US$860/oz)	(US$115 million)
US region:			
PGM operations (2E PGM)	0.58Moz – 0.61Moz	US$650/oz – US$690/oz	US$220 million

US dollar costs are based on an average exchange rate of R13.05/US$

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

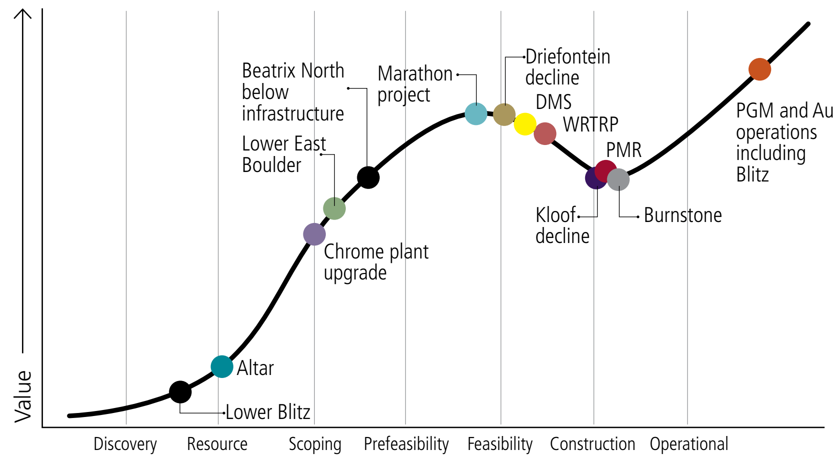
CONTINUED

PROJECTS

We invest in projects which meet a real internal rate of return (IRR) of

15%

PROJECT PIPELINE



Expenditure on organic growth projects during 2017 was R1,482 million (US$111.8m) (2016: R746 million (US$51 million)) which represents R888 million for the Blitz project in the US region and R593 million in the SA region, of which R387 million was for the Burnstone project.

On an annual basis, as part of our strategic planning, all organic projects are reviewed, evaluated and ranked. These reviews facilitate the determination of which projects are executed and in what order to ensure the highest capital efficiency of the overall portfolio.

SA REGION

GOLD OPERATIONS

Burnstone

Burnstone is located in the South Rand Goldfield of the Witwatersrand Basin near the town of Balfour, approximately 75km east of Johannesburg in the Mpumalanga province of South Africa.

Sibanye-Stillwater acquired the Burnstone assets in July 2014, comprising two shaft complexes, namely the surface portal and mechanised vehicle access decline and the vertical shaft (shaft bottom at 495m below surface), as well as a 125,000tpm gold processing plant, the tailings storage facility and surface infrastructure to support a producing operation, albeit with areas still to be constructed.

Burnstone had previously produced approximately 38,000oz of gold before being placed on care and maintenance in mid-2012.

The Burnstone project feasibility study was approved by the Board for project execution in November 2015. The project is planned with a six-year build-up to steady-state production by 2022, then averaging 125,000oz annually for seven years until the end of 2028. Thereafter a seven-year period of decreasing but profitable production supports an initial 20-year life-of-mine plan, yielding some 1.9Moz of gold production from the feasibility resource of 5.7Moz. This initial life of mine (LoM) plan was limited to approximately 60% of the total Burnstone resource of 8.9Moz as the mine design and schedule in the feasibility study was limited to mineable reserves within a 3km radius of the shaft infrastructure. During steady-state production period the potential of the 3.2Moz resource excluded from the initial LoM plan will be evaluated.

Burnstone re-evaluated and declared 1.934Moz of Mineral Reserves and 9.015Moz of Mineral Resources as at 31 December 2017.

In 2017, the following advances were made at Burnstone at a cost of R395 million (US$29.7m):

- Delivered 5,073m of access development
- Shaft Tip 3 construction was completed
- Conventional raise development crews were initiated

During the latter part of 2017, numerous water intersections (fissure water) were intercepted. These intersections delayed development, however, a comprehensive water handling plan has been implemented to minimise any delays in production going forward.

Kloof decline

The feasibility study for the Kloof below infrastructure decline project was approved by the Board for project execution in November 2015. The Kloof decline project plan yields approximately 0.57Moz of additional gold to that of the current LoM plan and is anticipated to extend the operating life of the Kloof operations to 2034.

In 2017, the following advances were made at Kloof at a cost of R117 million (US$8.8m):

- Delivered 181.6m of development
- Delivered 247.1m of development in decline

Driefontein decline

A feasibility study completed in 2015 confirmed that mining below current infrastructure has the potential to extend Driefontein's operating life from 2028 to 2042, producing an additional 2.1Moz of gold. The feasibility study project capital was estimated at R1,126 million in 2017 terms.

The feasibility study for the Driefontein below infrastructure decline project was approved by the Board for project execution in November 2015. Capital expenditure of R298.9 million (US$22.5m) was initially approved in 2017. However, following a cash conservation strategy at the SA Gold operations, only R37 million (US$2.8m) was spent on 275 metres of development.

The project team have subsequently completed a contract adjudication exercise for an accelerated mine plan by a specialist mining and construction contractor. This will be motivated for the Board's consideration in August 2018.

West Rand Tailings Retreatment Project

The West Rand Tailings Retreatment Project (WRTRP) is a large-scale, long-life surface tailings retreatment opportunity, the economic viability of which was secured through the acquisition of the Cooke assets by Sibanye-Stillwater in 2014. The combined WRTRP reserves amount to 677.3Mt of the historic Driefontein, Kloof and Cooke tailings storage facilities (TSFs), containing estimated gold and uranium mineral reserves of 6.2Moz and 97.2Mlb, respectively.

The definitive feasibility study for this project as well as the front-end engineering design was completed during the fourth quarter of 2016, rendering the WRTRP construction ready.

On 22 November 2017, Sibanye-Stillwater announced that it would vend selected assets of the WRTRP into DRDGOLD for 38% shareholding in the company. For more information on the transaction, please refer to: www.sibanyestillwater.com/investors/transactions/drdgold.

Southern Free State Projects

The Southern Free State (SOFS) projects include Sibanye-Stillwater's Wits Gold mining right and prospecting right holdings in the Free State goldfields of the Witwatersrand Basin.

The Wits Gold mining right consolidating the De Bron Merriespruit, Bloemhoek, Hakkies and Robijn projects into one mining right has been approved for a period of 23 years and was executed in June 2017. This mining right is contiguous to the north-east of the Beatrix mining right. Sibanye-Stillwater acquired the De Bron Merriespruit and Bloemhoek projects in December 2013 on its acquisition of Wits Gold.

All required environmental studies to support the motivation of a consolidation of the Beatrix and Wits Gold mining rights under one licence were completed in 2017. The environmental permitting process and updated environment management programme (EMP) for the envisaged mining right consolidation will be pursued after the Beatrix mining right renewal application has been submitted in Q4 2018. The Beatrix mining right expires in February 2019.

Gold Mineral Reserves for the De Bron Merriespruit project were reviewed in December 2015 with the mine design and schedule re-planned in line with revised geological and estimation models. The revised design and updated costing supports the Mineral Reserve for this project, which remains at 2.1Moz. The Bloemhoek project, which is adjacent to Beatrix North, has a Mineral Resource of 4.3Moz.

An initial desktop study performed in Q4 2015 evaluated the potential economic viability of a Beatrix North decline shaft system below infrastructure, accessing both Beatrix resources and the southern portion of the Bloemhoek resources. This would result in an extension of the current Beatrix life of mine. Drilling of two exploration holes DWV 12 and DWV 14 were completed in the Beatrix reserve area in April 2017 confirming the Beatrix VS5 reef geological structure, specifically the location and orientation of the Stuirmanspan fault and east-west trending Boundary fault, facies distribution, gold grades and the decline positioning.

The core logging and assay results revealed channel widths varying between 312cm and 344cm with the higher grades concentrated in the bottom 180cm and 80cm of the channels respectively.

An additional two exploration holes are planned in the Bloemhoek southern reserve area to confirm facies distribution and orebody grades.

A detailed feasibility study for this project will be completed in 2018.

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

CONTINUED

The Beisa project at Beatrix West has not been included in the 2018 Mineral Reserve as the access shaft for the project is via Beatrix 4 shaft, which remains subject to a Section189 process. The principle driver for the Beisa project remains an increase in the future uranium price.

SA PGM OPERATIONS

Dense media separation

In 2016, Sibanye-Stillwater acquired Aquarius, as well as Anglo American Platinum's Rustenburg assets, which included four underground PGM operations, surface tailing retreatment plant, the concentrator plants and associated surface infrastructure. At the time of the acquisition, Aquarius was successfully operating dense media separation (DMS) plants at its Kroondal concentrator plants, for the pre-concentration of mined UG2 ore. A third DMS plant, located at Marikana had been placed on care and maintenance. Rustenburg's Waterval UG2 concentrator does not have a DMS plant. The two sites are 12.5km from each other.

In 2017, Sibanye-Stillwater commissioned a feasibility study to relocate the Marikana DMS plant to the Waterval UG2 concentrator and for its commissioning. The study was completed in September 2017 and subsequently approved. This brownfields project includes the stripping and relocation of the Marikana DMS plant to the Waterval UG2 concentrator.

Chrome plant optimisation

The Waterval chrome plant, which is part of the Rustenburg operation's complex, treats 400,000t/month of feed from the Rustenburg UG2 plant. The Waterval chrome plant achieves chrome recoveries of between 10% and 12%. The plant's milling process produces very fine chrome particles and a material quantity of chrome is dumped into the tailings dam. A study is underway for the recovery of portion of that fine chrome concentrate.

Two technologies are being investigated, both of which have the potential to increase recoveries by at least 5%. Test work on the technologies has been conducted with promising results. A decision will be made in 2018 on whether this project is viable.

Platinum Mile plant upgrade

Platinum Mile currently treats Sibanye-Stillwater tailings material arising from the concentrators. The tailing product is a mixture of underground ore, e-Feed (Waterval tailing dams) and smelter slag flotation plant tailings. A feasibility study, completed in July 2017, successfully concluded that additional retention time through the implementation of additional float cells would improve recoveries translating to a potential additional ounces annually. A phased approach, constructing the flotation section, within the existing Platinum Mile Resources facility has been initiated.

This capital budget estimate of R37.5 million, covering the installation of four new flotation cells and associated infrastructure, for 2018 was approved by the Sibanye-Stillwater Board in 2017. Project to be constructed in 2018.

US REGION

MARATHON PROJECT

Marathon is a PGM-copper property in northern Ontario, Canada, adjacent to Lake Superior.

The Marathon properties are located 10km north of the town of Marathon, Ontario, on the eastern margin of the Coldwell Complex, a Proterozoic layered intrusion. The palladium, platinum and copper mineralisation occurs principally in the Two Duck Lake gabbro. The known zones of significant mineralisation have a total north-south strike length of approximately 3km and dip 30° to 40° toward the west. The mineralisation has a true thickness ranging from 4m to 100m.

The feasibility study, which was completed and updated in 2014, provided the following core information about economic viability.

The project did not provide an attractive return to shareholders, resulting in a pause to permitting and all development activities. The project reverted back to an exploration stage project to search for higher grade feeder type copper-PGM mineralisation that could be the source of the lower grade mineralisation currently defined at Marathon. Discovery of higher grade mineralisation via successful exploration could enhance project economics in the future.

During the eight months ended 31 December 2017, since Sibanye-Stillwater acquired Stillwater inclusive of this project, US$1.8 million was spent on the project to advance the following:

During 2017, approximately 6,000m of diamond drilling tested three target areas in search of feeder structures and to test low sulphidation PGM mineralisation. Although high-grade feeders were not intercepted during 2017, the results provide valuable information for exploration vectoring.

Trails and surface trenches were also extended and sampled during 2017 at the Boyer Lake area within the prospective intrusive lithologies of the Coldwell Complex. In addition, minimum environmental baseline data was collected in 2017.

Marathon has 151.7 million tonnes at 0.22% Copper and PGM 2E+Au grade of 0.89g/t (730 million lb Copper and 4.3Moz 2PGE+Au) declared Resources as at 31 December 2017.

The budget for 2018 is US$1.1 million to maintain the project during the year.

ALTAR PROJECT

Altar is a copper-gold property in San Juan province, Argentina. It is located in the Andes Mountains, approximately 10km from the Argentina-Chile border, and approximately 180km west of the city of San Juan.

In October 2011, Stillwater acquired Peregrine Metals Limited, a Canadian exploration company, whose principal asset was the Altar project. The property consists of eight wholly-owned mining concessions and five optioned mining concessions. Seven of these mining concessions are subject to production royalties, including a 1% net smelter royalty, and four other concessions are subject to a 2% net smelter royalty.

Altar, an exploration-stage project, is primarily a copper-gold porphyry deposit with potential for discrete peripheral gold system targets. The Altar deposit currently exhibits open mineralisation in most directions. During 2016, 4,931m were drilled on eight holes plus one hole extension. The 2016 drilling resulted in the discovery of a new copper-gold porphyry stock southeast of the Quebrada de la Mina (QDM) gold Mineral Resource.

During the eight months ended 31 December 2017, US$1.7 million was spent on the project to advance the following: A total of 5,631m of HQ size diamond drilling was performed between January and April 2017 to further test the 2016 discovery of the Quebrada de la Mina QDM-radio-porphyry copper-gold mineralisation. Drilling further defined the QDM-radio-porphyry to 1,000m depth, open in all directions. In addition to diamond drilling, surface prospecting and collection of environmental baseline data continued to maintain the project status.

Altar has 2,614 million tonnes of Mineral Resource at 0.31% copper and 0.07g/t gold (17.9 billion lbs of copper and 6.3Moz of gold) as at 31 December 2017.

The budget for 2018 is US$6.1million, earmarked to drill 6,000m on QDM-radio-porphyry, Altar-East and Altar-Central plus continue with surface geophysics, talus fine geochemistry, and environmental baseline data collection during the year. Drilling in 2018 is intended to test depth extension of all three areas by an additional 400-500m.

LOWER EAST BOULDER

Lower East Boulder is an area directly underneath the existing East Boulder mine. The boundary is defined at the top by existing 6,500 rail level and extends down 2,500ft to a planned muck haul level on the 4,000 level. The proposed strike length of project area is 25,000ft directly below the existing East Boulder mine. Limited deep drilling in 2015 and 2016 demonstrated ore grade intercepts down to 3,850 level.

For the eight months ended 31 December 2017, there was no spending on drilling in lower East Boulder area. There is no budgeted spending in 2018 to advance the study of the lower East Boulder area.

LOWER BLITZ

The Lower Blitz project area is an area directly underneath the Blitz project. The boundary is defined at the top by existing 5,000 rail level and extends down 1,500ft to a planned muck haul level on at the 3,500 level. The proposed strike length of project area is 20,000ft directly below the Blitz Project. No deep drilling has been completed in this area to date

For the eight months ended 31 December 2017, there was no spending on drilling in Lower Blitz area. There is no budgeted spending in 2018 for advancing the study of the Lower Blitz area.

DELIVERING VALUE FROM OPERATIONS, PROJECTS AND TECHNOLOGY

CONTINUED

TECHNOLOGICAL INNOVATION AND MODERNISATION

STRATEGY DEVELOPMENTS 2017

Sibanye-Stillwater established a Safe Technology and Innovation Department (STID) in 2014 and defined three strategic pillars with respect to its strategy, namely, safely optimising current mining horizons, capitalising on legacy mining and developing a safe, innovative mining method for the future. The pillars are designed as a multifaceted approach to technology and structured to create short, medium and long term value in the following ways:

- Harnessing technology to improve safety and optimise the cost-effectiveness of current mining will improve current production as well as reduce pay limits, enhancing our ability to maintain sustained delivery at a higher rate for a longer period
- Capitalising on legacy mining, in the short term, intends to return value, inherent to legacy assets, by enabling the return to old areas that are otherwise inaccessible by conventional means and recovering ore bearing material through sweeping and vamping. A longer-term value driver would be the ability to bring the otherwise sterilised resources contained within stability pillars to book by applying technology that is able to safely extract the same
- Developing a safe, innovative mining method for the future will allow Sibanye-Stillwater to consider mining ore bodies that are otherwise technically impractical as a result of depth or economic viability

The mine of the future (MoTF) vision has five general requirements (mechanised, automated, connected, dynamic and efficient) which, in part, or unison, will result in a mining operation with the following characteristics:

- Safe
- Environmentally conscious
- Highly efficient, yielding maximum return on capital employed
- Dynamic and able to respond rapidly to both internal and external stimulus
- Transparent, creating greater insight and enabling more proactive management
- Highly-skilled workforce, creating more attractive employment opportunities
- Promotion of secondary industry with sectoral transfer of skills, equipment and technology

The STID has identified more than 40 projects that fit within the scope of the MoTF vision. To ensure that resources are allocated as efficiently as possible, the department continuously ranks all projects based on impact, cost and complexity (potential return versus lead time to adopt), reserve applicability (how much of the organisation is able to adopt the technology) and interdependence (whether a project is dependent on, or contributes to, another project, programme or portfolio).

Throughout the continuous ranking process, a common theme has emerged in that "connected" projects are generally very highly ranked. The STID has thus embarked on a process of "digital understanding" in order to ascertain the organisation's "digital status", determine technology gaps in operational information technology and identify quick-win and high-impact initiatives to pursue in 2018.

DIGITAL MINING

Information technology is progressing at an unprecedented rate and, with the advent of high-speed data transfer, an exponential increase in computing power and cloud storage, allows organisations to understand their operational data, both in extreme detail, and at a high level of cross-functional integration.

Millions of quantitative data points can now be combined across processes and, in conjunction with qualitative data, to generate vast data sets. Once established, organisations can use advanced analytics to understand the information in a way that is not achievable through conventional analysis, and which was not possible in the past. An example of this would be stochastic mine modelling, while complex, in short, an ore body model can be mined in a million different ways in order to optimise the mine plan. Data can now be considered a contributing asset and leveraged to realise significant returns.

SIBANYE-STILLWATER'S DIGITAL JOURNEY

Despite a general misperception that conventional mining operations are not data rich environments, the STID hypothesised in 2016 that our operations are in fact data rich and that we could embark on explorative analytical initiatives without requiring additional infrastructure. This hypothesis was confirmed during the digital understanding process. However, two significant gaps were identified with respect to Sibanye-Stillwater's current operations, subterranean communication infrastructure and data source integration.

Several different communication paradigms exist throughout the mining industry, ranging from no communication to full coverage. While some of Sibanye-Stillwater's operations such as Bathopele exist on the full coverage end of the spectrum, the majority of the gold operations as well as the conventional platinum operations have limited coverage. In short, a substantial component of the value chain operates without digital data sources.

In order to address this issue, the STID has refined the latent data concept established in 2016, performed comprehensive market research and determined a clear path to researching and developing cost-effective, operationally applicable, communication infrastructure. The scope was to include several different communication mediums, including advancement in fibre technology, co-axial data transfer, multi-frequency wireless access as well as the original latent data transfer concept including the fourth generation personnel tag, which is capable of enabling mesh networking, effectively turning any employee into a wireless router. The outcome of the programme will be a suite of technology that may be applied to any operation, considering current state, flexibility and cost. The project is expected to be completed in 2018.

Regarding integration, both the international and South African technology markets are made up of single focus suppliers and service providers. Consequently, mines deal with a number of different suppliers or service providers for different technologies, depending on their requirements, posing a substantial challenge when considering data compatibility and integration.

There are several seemingly unidimensional technology products available that offer multidimensional data advantages. An example of this is the proximity detection system that records all aspects related to the movement as well as interactions between machinery and personnel. Sibanye-Stillwater has used this information to understand the risk profile of trackless machinery at its operations in order to mitigate the production impact that may result from implementation of revised regulations associated with proximity detection and collision avoidance. The information can also be used to understand driver behaviour and intervene in at-risk behaviour through positive coaching, potentially eliminating a risk before it transpires.

An element of integration is required to fully realise the benefits of these multi-dimensional data sources. However, a problem arises when these data sources are proprietary in nature and supplied by separate companies. The absence of collaboration has resulted in an inability to efficiently consolidate data. While significant value is still attainable through advanced analytics, Sibanye-Stillwater will only be able to fully realise the benefit of existing data once its integration has been resolved.

Sibanye-Stillwater has partnered with the University of the Witwatersrand to establish the Sibanye-Stillwater Digital Mining Laboratory. Supported by a R15 million contribution over three years, the laboratory will not only continue developing the future of mining engineering, but act as a stage gate with respect to the assessment of digital technologies, in particular, the ability to integrate across products and processes, before it is adopted by Sibanye-Stillwater. The STID is confident that current university infrastructure, combined with the support given, will create a pivotal facility that will assist in accelerating industry understanding of digital technologies as well as accelerating the development and adoption of digital enablers.

For background information on the MoTF and Mining Phakisa, refer to our Integrated Annual Report 2016, available at www.sibanyestillwater.com

MINING PHAKISA AND THE NEWLY-ESTABLISHED MINING PRECINCT'S INNOVATION HUB – AN UPDATE

Supported by government's commitment under the banner of the Mining Phakisa, the new established Mining Precinct and Innovation Hub has progressed rapidly and established several work streams and steering committees with support from participating mining companies in the following areas:

- Non-explosive rock breaking and mechanisation
- Longevity of current mining
- Advanced ore body knowledge
- Real time information management

Sibanye-Stillwater actively participates in all of these steering committees and has taken a lead role by serving as chair of the steering committees on advanced ore body knowledge and longevity of current mining. These steering committees are overseen by the Innovation Hub's governing innovation team on which Sibanye-Stillwater serves as chair.

STOPE MECHANISATION PROGRAMME

Both the MT1000 multi-drill and MT100 sweeper and dozer prototypes were delivered and tested in 2017. Refer to the fact sheet on our stope mechanisation programme, on www.sibanyestillwater.com

MECHANISED PILLAR EXTRACTION

The mechanised pillar extraction project using prototype raise-boring technology has been temporarily suspended. The phase two feasibility study showed that, while the concept and technology are feasible, it would only be economically viable to extract a fraction of the original estimated resource of 2.2Moz in this manner. The project therefore scored low in the reserve applicability index and, coupled with its high cost and complexity, as well as extensive lead time to adopt, the decision was made to allocate resources to a more economically viable project.

ADVANCED TRANSPORT PROGRAMME

Recent developments in battery technology have inspired several amendments to the advanced transport programme. Increased capacity, efficiency and fast-charging developments have drastically reduced the need for on-board generation. As a result, the hybrid locomotive has been redesigned to include newly-developed batteries and a smaller on board diesel power generation unit. Two additional projects are being considered to increase the efficiency of the Group's lead acid battery locomotives as well as to develop a conversion package to convert diesel locomotives to battery locomotives without the need for additional infrastructure.

Owing to reduced on-board generating capacity and the logistical complexity of delivering compressed natural gas underground, this aspect has been put on hold.

CURRENT MINING IMPROVEMENT PROGRAMME

All previously reported projects progressed well through their initial short-term trial phases in 2017. They have all been approved for scaled-operational refinement in 2018.

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY

Sibanye-Stillwater's Mineral Resources and Mineral Reserves are reported in accordance with the SAMREC Code, and are fully compliant in all material respects with the requirements of the code

The statement of Mineral Resources and Mineral Reserves as at 31 December 2017 outlines the Mineral Resources and Mineral Reserves at each of our operating mines and projects, and includes the Stillwater operations and projects acquired in May 2017. The Mineral Resources and Mineral Reserves (excluding the Stillwater acquisition) are compared to the last full declaration made as at 31 December 2016, and therefore include a 12-month period of production depletion due to mining activity.

The statement is underpinned by appropriate Mineral Resources management processes and protocols that ensure adequate corporate governance.

This section is a condensed overview of the Mineral Resource and Mineral Reserves Report 2017 (the supplement), which contains a comprehensive review of Mineral Resources and Mineral Reserves as at 31 December 2017, and details the location, geology, mining, processing, operational statistics and changes at each of the Group's mining operations and projects. The full supplement is available online at *www.sibanyestillwater.com.*

The commodity prices used for the Mineral Reserve declaration approximate the historic three-year average commodity prices, in accordance with the SEC's guidelines. As a result, the following commodity prices were used at an exchange rate of R13.05/US$:

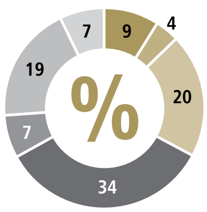
Price assumptions based on three-year trailing average

Precious metals	US$/oz	ZAR/oz	ZAR/kg
Gold	1,218	15,895	511,033
Platinum	1,092	14,251	458,167
Palladium	704	9,187	295,375
Rhodium	901	11,758	378,030
Iridium	575	7,504	241,251
Ruthenium	46	600	19,300
Base metals		**US$/lb**	**ZAR/kg**
Uranium*		42	1,208
		US$/tonne	**ZAR/tonne**
Nickel		12,185	159,014
Copper		5,614	73,263

** Long-term contract prices used*

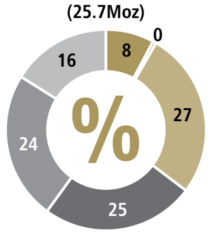
Mineral Resources and Mineral Reserves split per operation and project as at 31 December 2017

Gold Mineral Resources
(91.4Moz)



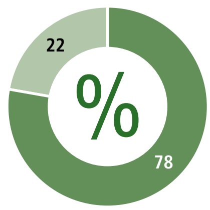
Beatrix	8.3Moz	Kloof	30.9Moz
Cooke	4.1Moz	WRTRP	6.1Moz
Driefontein	18.4Moz	SA region projects	17.3Moz
		US region projects	6.3Moz

Gold Mineral Reserves
(25.7Moz)



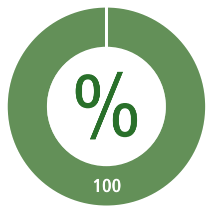
Beatrix	2.1Moz	Kloof	6.4Moz
Cooke	0.1Moz	WRTRP	6.1Moz
Driefontein	7.0Moz	SA region projects	4.0Moz

Uranium Mineral Resources
(123.1Mlb)



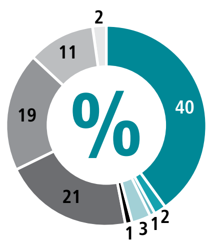
WRTRP	96.1Mlb
Beatrix	27.0Mlb

Uranium Mineral Reserves
(96.1Mlb)



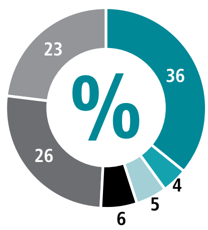
WRTRP	96.1Mlb

4E PGM Mineral Resources
(206.5Moz)



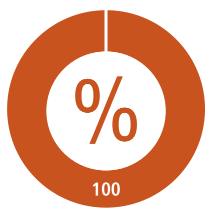
Rustenburg*	83.2Moz	Tailings	2.8Moz
Kroondal**	4.9Moz	Stillwater	42.1Moz
Blue Ridge**	2.4Moz	East Boulder	38.3Moz
Mimosa**	6.8Moz	SA region projects	21.9Moz
		US region projects	4.0Moz

PGM Mineral Reserves
(44.3Moz)



Rustenburg*	15.7Moz	Tailings	2.8Moz
Kroondal**	1.8Moz	Stillwater	11.5Moz
Mimosa**	2.0Moz	East Boulder	10.4Moz

Copper Mineral Resources
(18,661.1Mlb)



United States region projects	18,661.1Mlb

* Excluding tailings ** 50% attributable

SA REGION – GOLD OPERATIONS

Key aspects of the 31 December 2017 statement of gold Mineral Resources and Mineral Reserves:

- Total gold Mineral Resources decreased by 17% to 85.1Moz
- Total gold Mineral Reserves of 25.7Moz declared. This represents a reduction of 3.0Moz (10%), which after accounting for depletion of 1.5Moz due to mining activities in 2017, equates to a 6% decrease year-on-year
- The cessation of underground mining at Cooke 1, 2 and 3, resulting in the exclusion of 0.8Moz
- A reduction in gold Mineral Reserves at the Beatrix 4 Shaft, due to a revised mine plan and increase in pay limit, resulted in 1.7Moz being excluded. This exclusion includes the Beisa project
- An exploration programme focused on secondary reefs resulted in additional Mineral Reserves of 0.4Moz at Kloof (Middelvlei and Kloof Reefs at Main Shaft) and Driefontein (Middelvlei Reefs at 8 Shaft)
- The continuing review of and investigations to identify previously unmined areas with economic potential, the so-called "white areas", facilitated the declaration of an additional 1.5Moz to Mineral Reserves during 2017, primarily at Driefontein 8 Shaft and Kloof 8 Shaft

Gold Mineral Reserve reconciliation

Factors	Gold (Moz)
31 December 2016	**28.694**
2017 depletion	(1.457)
Inclusions:	**1.882**
White areas[1]	1.503
Secondary reefs[2]	0.379
Exclusions/reductions:	**(3.382)**
Closure of Cooke underground	(0.752)
Revised mine plan and increased pay limit at Beatrix West (including Beisa)	(1.659)
Technical factors[3]	(0.971)
31 December 2017	**25.737**

[1] *Additional areas identified for mining through exploration and underground investigations, primarily at Driefontein 4 Shaft, Driefontein 8 Shaft and Kloof 8 Shaft*

[2] *The Carbon Leader at Driefontein 8 Shaft and the Kloof Reef at Kloof 8 Shaft*

[3] *Primarily pay limits, tail management from the life of mine profiles and Mine Call Factor adjustments*

SA REGION – PGM OPERATIONS

Key aspects of the 31 December 2017 statement of 4E PGM Mineral Resources and Mineral Reserves:

- Total 4E PGM Mineral Resources declined marginally to 122.1Moz
- Total 4E PGM Mineral Reserves of 22.4Moz declared. This represents a reduction of 0.8Moz (4%), which after accounting for depletion of 1.5Moz due to mining activities in 2017, equates to a 3% increase year-on-year
- A revision in the methodology of determining geological losses, by calibrating against actual historical losses, resulted in a decrease in the overall estimated losses applied to the SA region's PGM operations. This resulted in an increase of 2.1Moz in Mineral Reserves
- Mineral Reserves at Siphumelele declined by 0.7Moz as a result of the deferral of the UG2 expansion project. This project will be reviewed subject to an improving economic environment
- A 0.8Moz decrease due to the removal of sub-economic ounces at the end of the life of mine
- Attributable Mineral Reserves at Mimosa increased by 20% to 2.0Moz following a successful technical and economic valuation of a part of the South Hill orebody
- Platinum Mile, located adjacent to the Paardekraal TSF, is a tailings retreatment facility that recovers PGMs from the tailings streams of the Waterval and Retrofit processing plants. As it is a retreatment operation, no Mineral Resources or Mineral Reserves are declared. Sibanye-Stillwater has a stake of 91.7% in Platinum Mile

PGM Mineral Reserve reconciliation

Factors	4E PGM (Moz)
31 December 2016	**23.186**
2017 depletion	(1.500)
Inclusions:	**2.185**
Evaluation	0.027
Geological changes[1]	2.077
Boundary changes	0.081
Exclusions/reductions:	**(1.509)**
Economic valuation[2]	(0.752)
Technical factors[3]	(0.757)
31 December 2017	**22.358**

[1] *Decrease in geological losses following the revision of the geological losses methodology applied to the Kroondal and Rustenburg operations. The revision aligned estimated and actual geological losses*

[2] *Removal of sub-economic ounces at the end of the life of mine by tail cutting*

[3] *Mineral Reserves in the UG2 section were downgraded back into Mineral Resources as a result of the deferment of the UG2 reef expansion project at Siphumelele Mine (0.7Moz)*

Note to all tables in this section:
Rounding off of figures may result in minor computational discrepancies. Where this happens, it is not deemed significant

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY CONTINUED

US REGION – PGM OPERATIONS

Key aspects of the 31 December 2017 statement of the 2E PGM Mineral Resources and Mineral Reserves:

- The acquisition of Stillwater in May 2017 increased the 2E PGM Mineral Reserves by 21.9Moz and 2E PGM Mineral Resources by 84.4Moz (2E PGM) at an average Mineral Reserve grade of 16.3g/t

Factors	2E PGM (Moz)
31 July 2017[1]	**22.216**
Depletion: August 2017 to December 2017	(0.313)
31 December 2017	**21.903**

[1] *Based on the Competent Person's Report compiled by The Mineral Corporation as at 31 July 2017. The report is available at www.sibanyestillwater.com/investors/documents-circulars*

SA REGION – URANIUM

Key aspects of the 31 December 2017 statement of uranium Mineral Resources and Mineral Reserves:

- Total Uranium Mineral Resources decreased by 23% to 123.1Mlb, primarily due to the exclusion of Beisa North, where the prospecting right has expired
- Total Uranium Mineral Reserves of 96.1Mlb declared. This represents a reduction of 17.1Mlb (15%)
- An increase in pay limit at Beatrix West resulted in the Beisa project being uneconomical, resulting in the exclusion of 16.1Mlb

Uranium Mineral Reserve reconciliation*

Factors	U_3O_8 (Mlb)
31 December 2016	**113.226**
Exclusions/reductions:	(17.143)
Revised mine plan and increased pay limit at Beatrix West (including Beisa)	(16.060)
WRTRP reduction due to the RSO treatment at Cooke Plant	(1.083)
31 December 2017	**96.083**

* *Uranium Mineral Reserves are for projects only with no depletion having taken place in 2017*

US REGION – COPPER

Key aspects of the 31 December 2017 statement of copper Mineral Resources:

- The acquisition of Stillwater in May 2017, increased the Group's Copper Mineral Resources by 18,661.1Mlb, primarily from the Altar project

ABRIDGED REVIEW BY OPERATION

SA REGION – GOLD OPERATIONS

BEATRIX

Beatrix is a high-productivity asset with a life of mine (LoM) extending to 2029. The Mineral Resource includes 8.3Moz gold and 27.0Mlb uranium. Gold Mineral Reserves decreased by 39% net of production depletion of 0.3Moz to 2.1Moz in 2017, primarily as a result of the exclusion of Beatrix West and the Beisa project.

Higher pay limits at Beatrix West resulted in the shaft undergoing a Section 189 process, and it is currently facing closure. The Mineral Reserves at this shaft have decreased by 1.0Moz. The Beisa project, with gold Mineral Reserves of 0.7Moz and Uranium Mineral Reserves of 16.1Mlb, is dependent on Beatrix West being operational in order to be financially feasible and was therefore excluded from the Mineral Reserves.

The underground Mineral Reserve grade (excluding Beisa) decreased from 3.7g/t in 2016 to 3.2g/t in 2017, primarily due to the exclusion of the higher grade Beatrix West. The underground production is supplemented by processing historic rock dumps at a grade of 0.3g/t.

DRIEFONTEIN

Driefontein is a medium to high-yield, long-term operation with gold Mineral Resources of 18.4Moz, gold Mineral Reserves of 7.0Moz and a LoM that extends to 2039. The Mineral Reserves are based on current operations, as well as the 5 shaft depth extension project. Gold Mineral Reserves increased by 9% net of production depletion of 0.5Moz year-on-year. This increase was primarily due to additional white areas at Driefontein 8 shaft, where significant Mineral Reserves are being developed to the west of the shaft.

The underground Mineral Reserve grade increased from 6.0g/t to 6.2g/t, primarily due to face value increase at Driefontein 5 shaft and 1 shaft.

Underground production is supplemented by processing of the last remaining Mineral Reserves contained in the historic rock dumps, which will be depleted in 2018.

KLOOF

Kloof is a high-yield long-term operation with a LoM extending to 2035 and gold Mineral Resources of 30.9Moz and gold Mineral Reserves of 6.4Moz. Gold Mineral Reserves increased by 4% net of production depletion of 0.5Moz year-on-year. The increase in Mineral Reserves is largely due to additional secondary reefs (Kloof Reef) of 0.1Moz, as well as white areas (0.4Moz), primarily from Kloof 8 shaft.

The underground Mineral Reserve grade decreased from 7.4g/t to 6.5g/t, primarily due to the additional Mineral Reserves from the white areas at Kloof 8 shaft, which has lower grades, but which lends itself to more productive mining.

Underground production is supplemented by processing of historic rock dumps with an estimated gold Mineral Reserve of 0.2Moz. This production is expected to continue over the next four years.

COOKE

Cooke is a short-term asset, where, following the suspension of underground operations during 2017 and the placing of all shafts on care and maintenance, the focus is on processing historic tailings facilities at the Cooke plant. This will be completed by mid-2019.

SA REGION – PGM OPERATIONS

KROONDAL

Kroondal is a low-cost asset with a current LoM estimated to extend to 2032. The operation is mined under a pool and share agreement (PSA) with Anglo American Platinum. The PSA, in which Sibanye-Stillwater has a 50% stake, has exclusive mining rights to the area. Sibanye-Stillwater, through its Kroondal operations, has the infrastructure and processing facilities to mine and process the ore from this PSA area. The operation has 4E PGM Mineral Resources of approximately 7.3Moz (attributable) and 4E PGM Mineral Reserves of 1.8Moz (attributable).

RUSTENBURG

The Rustenburg operations are long-term assets, with a current estimated LoM extending to 2051. The operations contain 4E PGM Mineral Resources of approximately 91.8Moz and 4E PGM Mineral Reserves of 18.5Moz. The increase in the 4E PGM Mineral Resources is due to the inclusion of the Hoedspruit area. This area has been included in the 2017 declaration following a successful appeal to the DMR regarding the award of the prospecting right.

Total 4E PGM Mineral Reserves declined to 18.5Moz. This represents a reduction of 0.7Moz (4%). However, after accounting for depletion of 1.1Moz, due to mining activities in 2017, this equates to a 2% increase year-on-year.

MIMOSA

Mimosa is a long-term asset, situated in Zimbabwe, with the current LoM estimated to extend to 2033. The operation has 4E PGM Mineral Resources of approximately 6.8Moz (attributable) and 4E PGM Mineral Reserves of approximately 2.0Moz (attributable). The 4E PGM attributable Mineral Reserves at Mimosa increased by 20% to 2.0Moz following a successful technical and economic valuation of a part of the South Hill orebody.

There are no material variations in grade at any of the operations.

US REGION – PGM OPERATIONS

STILLWATER

Stillwater is a long-term asset, with a current LoM estimated to extend to 2039. The operation has 2E PGM Mineral Resources of approximately 42.1Moz and 2E PGM Mineral Reserves of 11.5Moz. Mineral Reserves increased by 1.1Moz year-on-year, mainly due to the Blitz project expansion. For further detail on the Blitz project and the progress being made there, refer to *Creating value from operations, projects and technology*.

EAST BOULDER

East Boulder is a long-term asset, with a current LoM estimated to extend to 2059. The operation has 2E PGM Mineral Resources of approximately 38.3Moz and 2E PGM Mineral Reserves 10.4Moz. The 2E PGM Mineral Reserves decreased by 0.3Moz year-on-year, mainly due to depletion.

GOVERNANCE RELATING TO MINERAL RESOURCES AND MINERAL RESERVES

Sibanye-Stillwater reports its Mineral Resources and Mineral Reserves in accordance with the SAMREC Code, the updated Section 12 of the JSE Listings Requirements and the SEC Industry Guide 7, which is aligned with the guiding principles of Sarbanes-Oxley in the United States. Both the Altar and Marathon resources are compliant with the NI 43-101 guidelines. In accordance with SEC requirements, Mineral Reserves are based on three-year average trailing commodity prices.

Guided by a commitment to best practice corporate governance, the statement has been reviewed by each region's technical services function. For the SA region's PGM operations, the Mineral Reserves and Mineral Resources were independently reviewed by The Mineral Corporation and found to be compliant with the relevant codes with no material shortcomings. The SA gold operations were subject to external audits during 2016, while the US region was audited by The Mineral Corporation in 2017 and found to be compliant with the relevant codes with no material shortcomings.

The Mineral Resources and Mineral Reserves are estimated at a particular date, and are affected by fluctuations in mineral prices, the rand-dollar exchange rate, operating costs, mining permits, changes in legislation and operating factors, among others. Although all permits may not be finalised and in place at the time of reporting, there is no reason to expect that these will not be granted. However, the length of the approval process for such permits may have an impact on the schedules stated.

All statement figures are managed by Sibanye-Stillwater with the exception of those for Mimosa. Mineral Resources are reported inclusive of Mineral Reserves, and production volumes are reported in metric tonnes (t).

Gold and uranium estimates are reported separately from each other, therefore no gold equivalents are stated to avoid potential anomalies as a result of year-on-year metal price differentials. The statement for the SA region PGM operations reports 4E PGM, which are platinum, palladium, rhodium and gold. Individual proportions of the 4E PGM are determined via prill splits as determined from the assays. The statement for the US region's PGM operations reports 2E PGM, which are palladium and platinum.

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY CONTINUED

All financial models used to determine Mineral Reserves are based on current tax regulations at 31 December 2017. We are assessing the change in the tax regime in the US region but it may have an immaterial impact as current Mineral Reserve and Mineral Resource calculations are driven primarily by geological constraints and not financial variables.

COMPETENT PERSONS

For the **SA region's Gold operations**, the lead competent person designated in terms of the SAMREC Code, with responsibility for the consolidation and reporting of their Mineral Resources and Mineral Reserves and for overall regulatory compliance of these figures, is:

Gerhard Janse van Vuuren

Kloof Gold Mine
Farm Rietfontein

Private Bag X190
Westonaria
1780

Gerhard gave his consent for the disclosure of the 2017 Mineral Resources and Mineral Reserves Statement. Gerhard [GDE (Mining Eng), MBA, MSCC and B.Tech (MRM)] is registered with SAIMM (706705) and has 30 years' experience relative to the type and style of mineral deposit under consideration.

For the **SA region's PGM operations**, the lead competent person designated in terms of the SAMREC Code, who takes responsibility for the consolidation and reporting of these Mineral Resources and Mineral Reserves, and for the overall regulatory compliance of these figures, is:

Andrew Brown

Sibanye Rustenburg Platinum Mines
Hex River Complex, Old Mine Road
Rustenburg, Bleskop, 0292

PO Box 1
Bleskop
0292

Andrew gave his consent for the disclosure of the 2017 Mineral Resources and Mineral Reserves Statement. Andrew [M.Sc Mining Eng] is registered with SAIMM (705060) and has 33 years' experience relative to the type and style of mineral deposit under consideration.

For the US region's PGM operations, the lead competent person designated in terms of the SAMREC Code, who takes responsibility for the consolidation and reporting of the Stillwater and East Boulder Mineral Resources and Mineral Reserves, and for the overall regulatory compliance of these figures, is:

Brent LaMoure

Stillwater Mine
26 West Dry Creek Circle

Suite 400, Littleton
Colorado
80120

Brent gave his consent for the disclosure of the 2017 Mineral Resources and Mineral Reserves Statement. Brent [B.Sc Mining Eng] is registered with the Mining and Metallurgical Society of America (01363QP) and has 22 years' experience relative to the type and style of mineral deposit under consideration.

For the foreign project Mineral Resource estimation, the competent person is Stanford Foy. Stan is registered with the Society for Mining, Metallurgy and Exploration Inc., in the United States (4140727RM), and has 27 years' experience relative to the type and style of mineral deposit under consideration.

GOLD: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER

SA REGION	Mineral Resources				SA REGION	Mineral Reserves			
Operations	2017			2016	**Operations**	2017			2016
Underground	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)	**Underground**	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)
Beatrix[1]					**Beatrix[1]**				
Measured	25.5	6.6	5.394	5.786	Proved AI	8.9	3.3	0.933	2.048
Indicated AI	16.6	4.3	2.310	6.150	Probable AI	11.2	3.2	1.152	1.675
Inferred AI	0.0	3.3	0.004	0.004					
Total AI	42.1	5.7	7.708	11.940	Total AI	20.1	3.2	2.086	3.723
Indicated BI	3.4	5.0	0.541	0.789	Probable BI				
Beatrix – total	**45.5**	**5.6**	**8.249**	**12.729**	**Beatrix – total**	**20.1**	**3.2**	**2.086**	**3.723**
Driefontein					**Driefontein**				
Measured	20.7	12.2	8.126	7.741	Proved AI	16.8	6.7	3.602	4.420
Indicated AI	7.9	11.5	2.897	1.207	Probable AI	9.2	5.6	1.670	0.737
Inferred AI	0.0	5.9	0.005	0.181					
Total AI	28.6	12.0	11.029	9.129	Total AI	26.0	6.3	5.272	5.157
Measured	0.1	8.4	0.017	2.180	Proved BI				
Indicated BI	22.1	10.2	7.290	6.376	Probable BI	8.8	6.1	1.707	1.694
Total BI	22.2	10.2	7.308	8.556	Total BI	8.8	6.1	1.707	1.694
Driefontein – total	**50.7**	**11.2**	**18.337**	**17.684**	**Driefontein – total**	**34.8**	**6.2**	**6.980**	**6.851**
Kloof					**Kloof**				
Measured	14.4	16.2	7.538	7.928	Proved AI	13.5	8.1	3.516	4.700
Indicated AI	5.5	11.6	2.074	1.231	Probable AI	13.0	5.1	2.135	1.184
Inferred AI	0.2	12.0	0.085						
Total AI	20.2	14.9	9.697	9.159	Total AI	26.5	6.6	5.652	5.884
Measured	3.1	11.7	1.162						
Indicated BI	45.1	13.0	18.880	19.371	Probable BI	3.2	5.3	0.537	0.566
Inferred BI	2.1	14.7	0.976	3.831					
Total BI	50.2	13.0	21.018	23.202	Total BI	3.2	5.3	0.537	0.566
Kloof – total	**70.4**	**13.6**	**30.715**	**32.361**	**Kloof – total**	**29.7**	**6.5**	**6.189**	**6.450**
Cooke[2]					**Cooke[2]**				
Measured	4.0	13.1	1.689	3.113	Proved AI				0.728
Indicated AI	3.5	10.1	1.130	4.091	Probable AI				0.097
Inferred AI	3.2	12.0	1.220	2.635					
Total AI	10.7	11.8	4.039	9.839	Total AI				0.826
Inferred BI				3.998					
Cooke – total	**10.7**	**11.8**	**4.039**	**13.837**	**Cooke – total**				**0.826**
Underground – total	**177.3**	**10.8**	**61.339**	**76.611**	**Underground – total**	**84.6**	**5.6**	**15.254**	**17.849**

AI = Above infrastructure
BI = Below infrastructure

See footnotes on page 63

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY CONTINUED

GOLD: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER continued

SA REGION	Mineral Resources				SA REGION	Mineral Reserves			
Operations continued	2017			2016	**Operations** continued	2017			2016
Surface	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)	**Surface**	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)
Surface rock dumps and tailings retreatment facilities					**Surface rock dumps and tailings retreatment facilities**				
Beatrix (Indicated)	**3.7**	**0.3**	**0.041**	0.052	Beatrix (Probable)	**3.7**	**0.3**	**0.041**	0.052
Randfontein Surface					Randfontein Surface				
(Measured)	**5.4**	**0.3**	**0.052**	0.047	(Proved)	**5.4**	**0.3**	**0.052**	0.047
(Indicated)	**0.4**	**0.6**	**0.007**		(Probable)	**0.4**	**0.6**	**0.007**	
Driefontein (Indicated)	**1.1**	**0.5**	**0.019**	0.076	Driefontein (Probable)	**1.1**	**0.5**	**0.019**	0.076
Kloof (Indicated)	**11.3**	**0.5**	**0.192**	0.200	Kloof (Probable)	**11.3**	**0.5**	**0.192**	0.200
Surface – total	**21.8**	**0.4**	**0.311**	**0.375**	**Surface – total**	**21.8**	**0.4**	**0.311**	**0.375**
Underground and surface					**Underground and surface**				
Beatrix	**49.2**	**5.2**	**8.291**	12.781	Beatrix	**23.9**	**2.8**	**2.127**	3.775
Driefontein	**51.8**	**11.0**	**18.355**	17.760	Driefontein	**35.9**	**6.1**	**6.998**	6.926
Kloof	**81.7**	**11.8**	**30.907**	32.561	Kloof	**41.0**	**4.8**	**6.381**	6.650
Cooke	**16.4**	**7.8**	**4.097**	13.883	Cooke	**5.7**	**0.3**	**0.059**	0.872
Total	**199.1**	**9.6**	**61.651**	**76.985**	**Total**	**106.4**	**4.5**	**15.565**	**18.224**

Projects					**Projects**				
Underground					**Underground**				
Burnstone					**Burnstone**				
Measured	**2.2**	**5.0**	**0.351**		Proved	**0.5**	**3.7**	**0.058**	
Indicated	**62.4**	**4.3**	**8.664**	4.350	Probable	**14.3**	**4.1**	**1.876**	2.137
Inferred				4.540					
Total	**64.6**	**4.3**	**9.015**	**8.890**	Total	**14.8**	**4.1**	**1.934**	**2.137**
Beisa North[3]					**Beisa North**[3]				
Inferred				1.619					
Total				1.619	Total				
Bloemhoek					**Bloemhoek**				
Indicated	**27.4**	**4.7**	**4.163**	4.163					
Inferred	**0.9**	**4.9**	**0.135**	0.135					
Total	**28.3**	**4.7**	**4.297**	**4.297**	Total				
De Bron Merriespruit					**De Bron Merriespruit**				
Indicated	**23.0**	**4.5**	**3.307**	3.307	Probable	**15.4**	**4.3**	**2.112**	2.112
Inferred	**5.3**	**4.2**	**0.715**	0.715					
Total	**28.3**	**4.4**	**4.022**	**4.022**	Total	**15.4**	**4.3**	**2.112**	**2.112**
Underground – total	**121.2**	**4.4**	**17.335**	**18.828**	**Underground – total**	**30.2**	**4.2**	**4.045**	**4.248**

GOLD: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER continued

SA REGION	Mineral Resources				SA REGION	Mineral Reserves			
Projects continued	2017			2016	Projects continued	2017			2016
Surface	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)	Surface	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Gold (Moz)
WRTRP [4]					WRTRP [4]				
Measured	**618.5**	**0.3**	**5.602**	5.697	Proved				
Indicated	**52.3**	**0.3**	**0.524**	0.524	Probable	**670.8**	**0.3**	**6.126**	6.222
Total	**670.8**	**0.3**	**6.126**	**6.222**	Total	**670.8**	**0.3**	**6.126**	**6.222**
US REGION					**US REGION**				
Projects					**Projects**				
Altar [5]					Altar [5]				
Measured	**1,005.9**	**0.3**	**2.981**						
Indicated	**1,051.5**	**0.3**	**2.253**						
Inferred	**556.6**	**0.3**	**1.087**						
Total	**2,614.0**	**0.1**	**6.321**		Total				
SA AND US REGIONS – COMBINED					**SA AND US REGIONS – COMBINED**				
Projects Surface – total	**3,284.8**	**0.1**	**12.447**	**6.222**	**Projects** Surface – total	**670.8**	**0.3**	**6.126**	**6.222**
Underground and surface – total	**3,406.0**	**0.3**	**29.781**	**25.050**	**Underground and surface – total**	**701.0**	**0.5**	**10.171**	**10.470**
Operations and Projects					**Operations and Projects**				
GRAND TOTAL	**3,605.1**	**0.8**	**91.432**	**102.035**	**GRAND TOTAL**	**807.4**	**1.0**	**25.737**	**28.694**

[1] *The Beatrix Mineral Reserve and Resource was impacted by the increased pay limit at Beatrix West, resulting in a decrease in the Mineral Reserves of the Beatrix West operations and Beisa Project and a decrease in Mineral Resources at Beatrix West*

[2] *The Cooke underground resources reduced due to an increase in the pay limit, as a result of higher unit costs associated with shafts being placed on care and maintenance*

[3] *Beisa North has been excluded from Mineral Resources due to the expiry of prospecting licences*

[4] *As part of the proposed transaction with DRDGOLD (refer to www.sibanyestillwater.com/investors/transactions/drdgold), selected assets (comprising gold Mineral Reserves and Resources of 3.881Moz) from the West Rand Tailings Retreatment Project (WRTRP) will be sold to DRDGOLD subject to all conditions of the transactions being met*

[5] *Altar is a copper-gold exploration project in Argentina. As the Stillwater transaction was concluded in May 2017, no comparative information has been disclosed*

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY CONTINUED

4E PGM: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER

SA REGION	Mineral Resources				SA REGION	Mineral Reserves			
Operations	2017			2016	**Operations**	2017			2016
Underground	Tonnes (Mt)	Grade (g/t)	4E (Moz)	4E (Moz)	**Underground**	Tonnes (Mt)	Grade (g/t)	4E (Moz)	4E (Moz)
Kroondal (50% attributable)					**Kroondal (50% attributable)**				
Measured	**32.2**	**3.0**	**3.146**	3.470	Proved	**15.1**	**2.6**	**1.243**	1.802
Indicated	**14.3**	**3.2**	**1.472**	1.268	Probable	**6.8**	**2.6**	**0.561**	0.489
Inferred	**2.7**	**3.0**	**0.261**	0.189					
Total	**49.3**	**3.1**	**4.879**	**4.926**	Total	**21.9**	**2.6**	**1.804**	**2.291**
Rustenburg					**Rustenburg**				
Measured	**373.6**	**4.9**	**59.211**	59.745	Proved	**119.2**	**3.8**	**14.550**	15.165
Indicated	**123.6**	**5.3**	**21.235**	21.525	Probable	**8.4**	**4.3**	**1.156**	0.901
Inferred	**15.4**	**5.6**	**2.762**	2.717					
Total	**512.6**	**5.0**	**83.209**	**83.987**	Total	**127.6**	**3.8**	**15.706**	**16.066**
Mimosa (50% attributable)					**Mimosa (50% attributable)**				
Measured	**30.2**	**3.7**	**3.570**	3.776	Proved	**12.5**	**3.5**	**1.423**	1.053
Indicated	**15.4**	**3.6**	**1.776**	1.776	Probable	**5.6**	**3.4**	**0.607**	0.636
Inferred	**4.4**	**3.6**	**0.512**	0.512					
Inferred (Oxides)	**9.0**	**3.4**	**0.981**	0.981					
Total	**59.0**	**3.6**	**6.839**	**7.045**	Total	**18.1**	**3.5**	**2.030**	**1.689**
Blue Ridge (50% attributable)					**Blue Ridge (50% attributable)**				
Measured	**14.8**	**3.3**	**1.570**	1.570					
Indicated	**4.1**	**3.2**	**0.420**	0.420					
Inferred	**4.2**	**3.2**	**0.440**	0.440					
Total	**23.1**	**3.3**	**2.430**	**2.430**	Total				
Operations – total	**644.0**	**4.7**	**97.357**	**98.388**	**Operations – total**	**167.6**	**3.6**	**19.540**	**20.046**
Surface					**Surface**				
Tailings Storage Facilities					**Tailings Storage Facilities**				
Rustenburg (Measured)	**81.9**	**1.1**	**2.818**	3.140	Rustenburg (Proved)				
Rustenburg (Indicated)					Rustenburg (Probable)	**81.9**	**1.1**	**2.818**	3.140
Surface – total	**81.9**	**1.1**	**2.818**	**3.140**	**Surface – total**	**81.9**	**1.1**	**2.818**	**3.140**
Underground and surface					**Underground and surface**				
Kroondal (50%)	**49.3**	**3.1**	**4.879**	4.926	Kroondal (50%)	**21.9**	**2.6**	**1.804**	2.291
Blue Ridge (50%)	**23.1**	**3.3**	**2.430**	2.430					
Rustenburg	**594.5**	**4.5**	**86.027**	87.127	Rustenburg	**209.5**	**2.8**	**18.524**	19.206
Mimosa (50%)	**59.0**	**3.6**	**6.839**	7.045	Mimosa (50%)	**18.1**	**3.5**	**2.030**	1.689
Operations – total	**725.9**	**4.3**	**100.175**	**101.528**	**Operations – total**	**249.4**	**2.8**	**22.358**	**23.186**

SA REGION	Mineral Resources			
Projects	2017			2016
Surface	Tonnes (Mt)	Grade (g/t)	4E (Moz)	4E (Moz)
Millenium [1]				
Indicated				1.430
Inferred				0.290
Total				**1.720**
Vygenhoek				
Measured	**1.4**	**5.1**	**0.230**	0.230
Total	**1.4**	**5.1**	**0.230**	0.230
Sheba's Ridge [1]				
Measured				0.880
Indicated				1.040
Inferred				5.180
Total				**7.100**
Zondernaam				
Inferred	**77.4**	**6.4**	**15.900**	15.900
Total	**77.4**	**6.4**	**15.900**	**15.900**
Hoedspruit [2]				
Indicated	**28.1**	**5.5**	**4.980**	
Inferred	**4.5**	**5.6**	**0.810**	
Total	**32.6**	**5.5**	**5.790**	
Projects – total	**111.4**	**6.1**	**21.920**	**24.950**
Operations and Projects				
GRAND TOTAL	**837.2**	**4.5**	**122.095**	**126.478**

SA REGION	Mineral Reserves			
Projects	2017			2016
Surface	Tonnes (Mt)	Grade (g/t)	4E (Moz)	4E (Moz)
Millenium				
Total				
Vygenhoek				
Total				
Sheba's Ridge				
Total				
Zondernaam				
Total				
Hoedspruit				
Total				
Projects – total				
Operations and Projects				
GRAND TOTAL	**249.4**	**2.8**	**22.358**	**23.186**

[1] *Mineral Resources at Millenium and Sheba's Ridge are omitted for 2017 as the mineral title has expired*

[2] *The Mineral Resources at Hoedspruit have been included in the 2017 declaration following a successful appeal to the DMR regarding the award of the prospecting right*

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY CONTINUED

2E PGM: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER

US REGION	Mineral Resources [1]				US REGION	Mineral Reserves [1]			
Operations	2017			2016	Operations	2017			[2] 2016
	Tonnes (Mt)	Grade (g/t)	2E (Moz)	2E (Moz)		Tonnes (Mt)	Grade (g/t)	2E (Moz)	2E (Moz)
Stillwater					**Stillwater**				
Measured	3.7	21.3	2.527		Proved	2.6	20.6	1.727	
Indicated	20.2	18.7	12.132		Probable	15.1	20.1	9.792	
Inferred	48.9	17.5	27.485						
Total	72.8	18.0	42.144		Total	17.8	20.2	11.519	10.467
East Boulder					**East Boulder**				
Measured	3.4	15.2	1.687		Proved	2.4	13.2	1.018	
Indicated	29.4	15.6	14.689		Probable	21.6	13.5	9.366	
Inferred	43.6	15.7	21.943						
Total	76.4	15.6	38.319		Total	24.0	13.4	10.384	10.731
Operations – total	149.2	16.8	80.463		**Operations – total**	41.8	16.3	21.903	21.198
Projects					**Projects**				
Marathon					**Marathon**				
Measured	93.4	0.9	2.693						
Indicated	57.9	0.7	1.290						
Inferred	0.4	0.1	0.001						
Total	151.7	0.8	3.984		Total				
Projects – total	151.7	0.8	3.984		**Projects – total**				
Operations and Projects					**Operations and Projects**				
GRAND TOTAL	300.9	8.7	84.447		**GRAND TOTAL**	41.8	16.3	21.903	21.198

[1] *Mineral Resources and Mineral Reserves for the US region were estimated on 31 July 2017, please refer to the CPR available on www.sibanyestillwater.com/investors/documents-circulars. Mineral Resources and Mineral Reserves have not been re-estimated as at 31 December 2017*

[2] *2016 data provided for information purposes only as this was prior to acquisition*

URANIUM: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER

SA REGION	Mineral Resources				SA REGION	Mineral Reserves			
Operations	2017			2016	**Operations**	2017			2016
	Tonnes (Mt)	Grade (kg/t)	U_3O_8 (Mlb)	U_3O_8 (Mlb)		Tonnes (Mt)	Grade (kg/t)	U_3O_8 (Mlb)	U_3O_8 (Mlb)
Beatrix [1]					**Beatrix** [1]				
Measured AI	**3.6**	**1.086**	**8.548**	8.548	Proved AI				
Indicated AI	**7.8**	**1.069**	**18.330**	18.330	Probable AI				16.060
Inferred AI	**0.0**	**1.101**	**0.090**	0.090					
Total	**11.4**	**1.074**	**26.968**	**26.968**	Total				**16.060**
Operations – total	**11.4**	**1.074**	**26.968**	**26.968**	**Operations – total**				**16.060**
Projects					**Projects**				
Beisa North [2]					**Beisa North** [2]				
Inferred				35.373					
Total				**35.373**	Total				
WRTRP [3]					**WRTRP** [3]				
Measured	**618.5**	**0.063**	**86.147**	87.230	Proved				
Indicated	**52.3**	**0.086**	**9.936**	9.936	Probable	**670.8**	**0.065**	**96.083**	97.166
Total	**670.8**	**0.065**	**96.083**	**97.166**	Total	**670.8**	**0.065**	**96.083**	**97.166**
Projects – total	**670.8**	**0.065**	**96.083**	**132.539**	**Projects – total**	**670.8**	**0.065**	**96.083**	**97.166**
Operations and Projects					**Operations and Projects**				
GRAND TOTAL	**682.2**	**0.082**	**123.051**	**159.507**	**GRAND TOTAL**	**670.8**	**0.065**	**96.083**	**113.226**

[1] *The Beatrix Mineral Reserve and Mineral Resource was impacted by the increased pay limit at Beatrix West, resulting in a decrease in the Mineral Reserves of the Beisa Project*

[2] *Beisa North has been excluded from Mineral Resources due to the expiry of prospecting licences*

[3] *As part of the proposed transaction with DRDGOLD (refer to www.sibanyestillwater.com/investors/transactions/drdgold) selected assets (comprising uranium Mineral Reserves and Mineral Resources of 44.359Mlb) from the West Rand Tailings Retreatment Project (WRTRP) will be vended into DRDGOLD when all the conditions of the transactions are met*

STATEMENT OF MINERAL RESOURCES AND MINERAL RESERVES – A SUMMARY CONTINUED

COPPER: MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES AS AT 31 DECEMBER

US REGION	Mineral Resources [1]				US REGION	Mineral Reserves			
Projects	2017			2016	Projects	2017			2016
	Tonnes (Mt)	Copper Sulphide grade (%)	Copper Sulphide (Mlbs)	Copper Sulphide (Mlbs)		Tonnes (Mt)	Copper Sulphide grade (%)	Copper Sulphide (Mlbs)	Copper Sulphide (Mlbs)
Altar					**Altar**				
Measured	**1,005.9**	**0.336**	**7,458**						
Indicated	**1,051.5**	**0.304**	**7,053**						
Inferred	**556.6**	**0.279**	**3,420**						
Total	**2,614.0**	**0.311**	**17,931**		Total				
Marathon					**Marathon**				
Measured	**93.4**	**0.230**	**474**						
Indicated	**57.9**	**0.199**	**254**						
Inferred	**0.4**	**0.291**	**3**						
Total	**151.7**	**0.218**	**730**		Total				
Projects – total	**2,765.7**	**0.306**	**18,661**		**Projects – total**				

[1] *Mineral Resources for the US region were estimated on 31 July 2017*


DWV14-D2

SUPERIOR VALUE FOR THE WORKFORCE

"Our people make a difference and give Sibanye-Stillwater a competitive edge."

Neal Froneman – Chief Executive Officer

APPROACH

Sibanye-Stillwater's corporate purpose is unequivocal: "our mining improves lives", and this defines the way our business activities are conducted. As a labour intensive business, this is of particular relevance to our many employees, their families and the communities in which they live.

Sibanye-Stillwater is a significant employer, providing jobs for more than 65,000 people globally, whose lives and those of their families are critically aligned with and improved, by the success of the Group. Sibanye-Stillwater provides sustainable employment and rewarding career growth opportunities as well as opportunities for personal development. We pay competitive salaries that in addition to a basic wage, include significant variable incentives and other benefits, which enable our employees to provide for their families and indirectly, the broader community. It is estimated that in South Africa specifically, each person employed in mining indirectly supports 10 direct dependants and up to seven additional indirect dependants. This suggests that Sibanye-Stillwater's business in South Africa benefits close on 1.2 million people.

In many countries, the mining sector plays a vital role in the on-going development of many local communities. Mining communities benefit from the mines in various ways, including:

- Employment
- Local economic development
- Provision of infrastructure
- The creation of upstream and downstream industries which supply goods and services to the mines
- Increased local economic activity due to wages and salaries being spent at community businesses

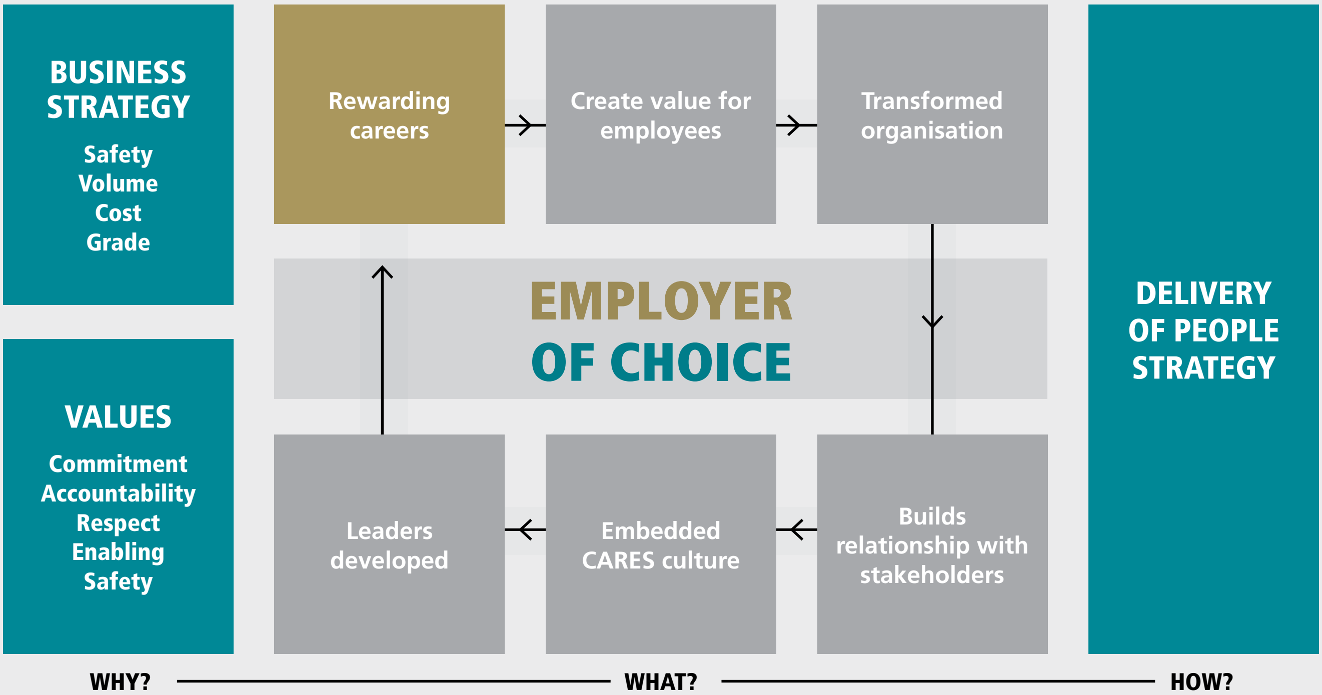
Furthermore, our employees contribute to the national fiscus and to local governments by paying tax on income earned and rates and taxes as residents in municipalities.

PEOPLE@SIBANYE-STILLWATER

Sibanye-Stillwater employees play an integral part in ensuring successful delivery on our operational targets and strategy. Our People@Sibanye-Stillwater human resources model is designed to help us achieve our business strategy and promote a values-based organisation. This model aims to ensure that Sibanye-Stillwater is an employer of choice and drives our purpose.

To this end, the People@Sibanye-Stillwater initiative seeks to:

- create value for employees and provide rewarding careers
- ensure that Sibanye-Stillwater embrace and implement the spirit of true transformation
- ensure that employees are engaged and understand their contribution to the company
- develop leadership capacity to enable meaningful engagement, in order to connect with and motivate employees
- embed our CARES values so that employees embrace and live them



SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

OVERVIEW 2017

HUMAN RESOURCES STRATEGY REVISED

The Group-wide human resources strategic framework is aligned with the Group's purpose, vision and strategy and revised to include a holistic, integrated approach to managing employees throughout the different stages of their careers. This includes, inter alia, attracting quality employees, suitable and relevant training and development, on-going performance management and career development, and mobility, retention and exit management.

This revision involved an in-depth analysis of the service delivery model and resourcing of the human resources function, its policies, systems and processes. A strategic road map was developed to unlock human resource value in the next three years. A key aspect of the strategic road map was the updating of our policies and practices and to this end, 90% of policies were refined. The revised policies will be implemented and re-communicated in 2018.

ORGANISATIONAL AND LEADERSHIP DEVELOPMENT

The revised, holistic integrated human resource strategy is aimed at attracting and retaining the right people with the right skills and capabilities. We have defined training programmes to build leadership capability and nurture talent. We believe that competent leaders will play a crucial role in the ongoing success of Sibanye-Stillwater by embedding our values and culture, creating more engaged and aligned employees and assisting in building constructive relationships with stakeholders.

Improved organisational efficiency involves aligning our strategic objectives, people and processes. Our key priority is to ensure that employees are empowered and have the skills and tools necessary to enable them to conduct their jobs as efficiently as possible, within a conducive work environment, where leaders set the example by living the values of the company. To address this priority, we reviewed the following:

- **Talent management:** The overwhelming majority of our employees reside in South Africa, and as such, a region specific career growth model, based on performance; leadership ability; qualifications, technical experience and business knowledge; and potential and culture fit, was designed and approved in this region. This model will be rolled out in 2018.

SA region: Talent pool [1]

	2017	2016
Talent pool size (A – D Band)	**1,282**	[2] 691
Successors promoted	**105**	108

[1] Employees identified as potential leaders for development
[2] 2016 focussed on D Band employees only

- **On-boarding framework:** This framework, developed to promote sustainable and innovative practices to support the human resources strategy, aims to integrate new employees and those in new positions so that they become productive as speedily as possible. This framework will help ensure that newly appointed employees are successful and will promote employee engagement and retention.

  Phase one of an on-boarding survey was conducted in 2017 to determine imbalances between occupational demands on the individuals and the resources available to help them cope with these demands. Results indicated that workplace demands on employees are high which may be due to inadequate resourcing and a lack of role clarity. The second phase of this survey will be rolled out in 2018.

- **Psychometric assessments:** Psychometric assessments for all employees up to the E-lower band level are now conducted in-house by a registered psychologist. Executive assessments are outsourced. The new assessment system was successfully rolled-out and integrated with relevant human resource processes (recruitment and selection, talent management, succession planning and development). Employees are assessed against the leadership competency framework which will highlight growth areas to be developed to improve the quality of our leadership. Comprehensive psychometric assessment data is used to indicate potential matches with our leadership framework and values, as well as the likelihood of an individual being successful in a specific job. This data will be used in compiling employee development plans.

  Psychometric assessments also aid the internal talent management process. The annual talent review was held in November 2017. These reviews will be held quarterly in 2018 when career opportunities and risks in core disciplines will be identified.

- **Leadership development:** A leadership competency framework aimed at promoting leadership capability has been crafted and the first module of an executive development programme completed. In 2017, 52 employees from the SA gold operations attended the leadership development programme at Gordon Institute of Business Science (GIBS) and another 131 attended corporate education programmes. Candidates from the SA PGM operations will be included in this programme from 2018.

- **Executive succession planning:** Executive development and succession processes form the basis of our integrated talent management framework. The executive development programme will coach executives on how to lead teams and enable people, which is vital to organisational development. Sibanye-Stillwater believes that developing competent and able leaders, with the correct critical skill sets, is essential to the future success of the business and will provide a competitive advantage, enabling delivery on our business goals. The development of a pool of effective and aligned leaders will be vital for the ongoing transformation of Sibanye-Stillwater into a modern mining company and to ensure the competitiveness and sustainability of our business, particularly in these challenging and complex social and economic times. To this end, we have partnered with Duke Corporate Education, a global leader in customised executive education, to deliver an executive leadership development programme that encompasses coaching, leading for impact, strategy, transformation and stakeholder engagement.

Embedding our corporate culture

Cultural transformation underpins organisational, leadership and functional development. While our corporate values have been rolled out throughout the company, much remains to be done to embed the culture fully, particularly at the newly-acquired assets. The recognition and rewards policy includes different categories of rewards including: Living the CARES values and embracing diversity.

In the US region, the corporate values were rolled out in the second half of 2017. In addition, to ensure continuity, three executives, including the CEO, are involved in planning for and implementing the strategy. The focus is to identify talent and those with the necessary leadership skills to advance the business.

OUR WORKFORCE AND ITS CHARACTERISTICS

During 2017, we focused extensively on optimising our workforce to improve profitability and productivity, to prolong operating lives and to ensure longer-term job security for our employees. Sibanye-Stillwater's total workforce as at 31 December 2017 was 66,472 (2016: 74,531), including contractors – in the SA region and 1,970 in the US region and 55 corporate office employees. The decline is largely a result of restructuring during the past year in the SA region, including the cessation of mining at the Cooke underground operations.

Following the Stillwater acquisition, the Group was restructured on a regional basis in order to ensure the focus on operational delivery in the regions, which have different operational and environmental characteristics. A separate corporate office has been established to focus on strategic and broader group issues, leaving the regions to focus on operational delivery.

SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

Sibanye-Stillwater workforce by operation as at 31 December

	2017			2016			2015		
	Permanent employees	Contractors [1]	Total	Permanent employees	Contractors [1]	Total	Permanent employees	Contractors [1]	Total
SA REGION									
Beatrix	**7,084**	**925**	**8,009**	7,884	1,671	9,555	7,618	1,362	8,980
Driefontein	**10,969**	**1,495**	**12,464**	10,941	1,648	12,589	10,772	949	11,721
Kloof	**9,581**	**1,487**	**11,068**	9,858	1,319	11,177	10,192	941	11,133
Burnstone	**237**	**298**	**535**	241	336	577	122	–	122
Cooke	**717**	**542**	**1,259**	3,788	1,624	5,412	5,236	2,084	7,320
Gold – total	**28,588**	**4,747**	**33,335**	32,712	6,598	39,310	33,940	5,336	39,276
Kroondal (100%)	**5,715**	**2,849**	**8,564**	6,021	4,378	10,399			
Rustenburg	**13,194**	**2,049**	**15,243**	14,891	3,114	18,005			
PGM* – total	**18,909**	**4,898**	**23,807**	20,912	7,492	28,404			
Regional services [4]	**2,262**	**1,349**	**3,611**	3,054	1,018	4,072	3,054	1,018	4,072
SA Other [3]	**1,867**	**1,827**	**3,694**	2,731	190	2,921	2,731	190	2,921
SA region – total	**51,626**	**12,821**	**64,447**	58,644	15,887	74,531	39,725	6,544	46,269
US REGION									
Stillwater	**863**	**333**	**1,196**						
East Boulder	**409**	**54**	**463**						
Metallurgical Complex	**179**	**64**	**243**						
Regional services **	**54**	**6**	**60**						
US Other ***	**8**	**0**	**8**						
US region – total	**1,513**	**457**	**1,970**						
Corporate office [2]	**55**	**–**	**55**						
Group – total	**53,194**	**13,278**	**66,472**	58,644	15,887	74,531	39,725	6,544	46,269

** The PGM operations are those operations under management. For 2016, Kroondal is included for the nine months from April to December 2016 and the Rustenburg operation for two months, November and December 2016. For 2017, these operations are included for the full year*

*** Regional services for the US include executive management located in the Columbus, Montana and Littleton, Colorado offices.*

**** US other represents people employed at Marathon (2 employees) and Altar (6 employees) exploration projects as part of the US region, while there were no contractors at 31 December 2017*

[1] Contractors excludes 'free' contractors (those who receive a fee for service irrespective of the number of contractor employees on site – they are not compensated on a fee-per-head basis but on a fee for the service or work performed)

[2] Corporate office includes executive management since September 2017

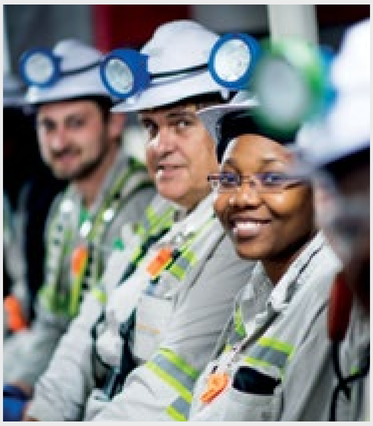
[3] Other includes Protection Services, Shared Services, the Sibanye-Stillwater Academy, Health Services and Property

[4] Regional services includes the executive management of SA region as well as employees providing a service to the SA region and not reflected in other

Gender diversity of permanent employees – gender (%)

	MALE	FEMALE
SA region*	87% (45,080)	13% (6,546)
US region*	92% (1,399)	8% (114)
Corporate office	55% (30)	45% (25)
Group	87% (46,509)	13% (6,685)

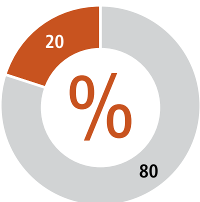
** Includes services and other*



WORKFORCE COMPOSITION 2017

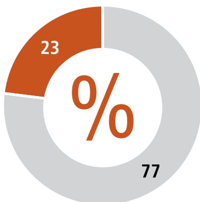
Type of employee by region

SA region



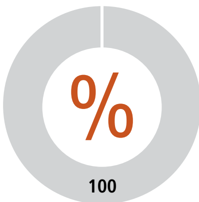
Permanent	51,626
Contractors	12,821

US region



Permanent	1,513
Contractors	457

Corporate office



Permanent	55
Contractors	0

WORKFORCE BREAKDOWN BY AGE

	2017				2016				2015			
SA region	Permanent employees	Contractors	Total	%	Permanent employees	Contractors	Total	%	Permanent employees	Contractors	Total	%
Younger than 30 years	**4,034**	**3,694**	**7,728**	**12**	5,913	4,560	10,473	14	5,251	1,890	7,141	15
Between 30 and 50 years	**37,275**	**7,738**	**45,013**	**70**	41,636	9,536	51,172	69	27,017	3,805	30,822	67
Older than 50 years	**10,317**	**1,389**	**11,706**	**18**	11,095	1,791	12,886	17	7,457	849	8,306	18

US region*	Permanent employees	%
Younger than 30 years	**157**	**10**
Between 30 and 50 years	**848**	**56**
Older than 50 years	**508**	**34**

** Information on the ages of contractors in the US region is not available*

SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

SECTION 189 PROCESSES – COOKE, BEATRIX AND THE PGM OPERATIONS

A major focus of employee engagement during 2017 was to address the strategic challenges resulting from low commodity prices, and underperforming operations, which negatively impacted the profitability and sustainability of the SA region.

In terms of the Labour Relations Act and to address these challenges, two Section 189 processes were instituted during 2017 – one at the SA PGM operations and one at the gold operations.

Consultations for both processes were held under the auspices of the Commission for Conciliation, Mediation and Arbitration (CCMA). The SA gold operations' consultations lasted 85 days while those for the SA PGM operations lasted 89 days.

Initially at the SA gold operations, the jobs of 7,500 mine employees and 3,000 contractors were at risk. Through constructive and meaningful dialogue and engagement, the parties agreed on initiatives which saved 3,000 jobs, limiting the social impact of the restructuring somewhat. The loss-making Cooke operations were placed on care and maintenance and certain mining crews were transferred to the Driefontein and Kloof operations to replace contractor crews. At Beatrix, measures were implemented to contain costs and enhance productivity and the sustainability of the Beatrix West shaft in particular. It was agreed that Beatrix West would continue operating as long as it remained profitable (in terms of all-in sustaining costs) on average, over any continuous three-month period. This resulted in some 1,600 employees retaining their jobs. Additional measures agreed to reduced the number of involuntary retrenchments to less than 2,000 employees.

At the SA PGM operations, the aim of the Section 189 process was to eliminate duplicated positions following the consolidation of the Rustenburg operation and Kroondal within Sibanye-Stillwater. While 332 employees were at risk, ultimately just 17 employees were retrenched, 65 employees opted for voluntary separation and 218 employees were transferred internally.

Absenteeism

Absenteeism is a major issue affecting productivity and hence the profitability and sustainability of the operations in South Africa. To address the negative impact of unplanned absences on productivity and costs, several initiatives have been implemented over the past five years. Absenteeism at the SA PGM operations reduced to 15% in 2017 from 20% in 2016, while the gold operation had an absenteeism rate of 15.7% up from 15.1% due to higher than usual absenteeism at the Cooke operations before closing the underground operation. For further information, see Health and wellbeing.

US REGION

In recent years, before the acquisition of the US assets, productivity levels in the region had improved significantly and the aim is to maintain these levels .

Wages and salaries are significantly higher in the US region where the operations are highly mechanised with a small, highly skilled workforce. The workforce, which resides in the vicinity of the operations, is bussed to and from work daily.

The employee turnover rate – 0.47% in 2017 – in the region is low. Strong unions and strict labour laws in the state of Montana protect employees. There is no official retirement age.

EMPLOYEE RELATIONS AND VALUE CREATED

Union representation

The mining sectors in both South Africa and the United States are unionised.

At the end of 2017, around 93% (2016: 92%) of our total permanent workforce in South Africa was unionised. Currently in South Africa, four unions are recognised by Sibanye-Stillwater, namely AMCU, NUM, Solidarity and UASA, and in the United States, employees belong to the United Steel Workers International Union (USW). Formal employee engagement structures are in place – from shaft and operational levels to those at management level. A human resources forum meets quarterly and works with structures at the operations. In addition, there are leadership forums, one for the gold operations and one for the PGM operations in the SA region. The CEO meets with union leadership on an ad hoc basis.

Union representation 2017 – South Africa

	Gold operations		PGM operations		Services and other		South Africa
	Membership	Representation (%)	Membership	Representation (%)	Membership	Representation (%)	Total (%)
Total	28,735	95	17,576	93	3,609	86	93

Annual comparison of union membership – SA region

	2017				2016			
	Total	PGM	Gold	Services	Total	PGM	Gold	Services
Membership								
AMCU	**26,687**	**12,335**	**13,651**	**701**	29,988	13,720	15,343	925
NUM	**17,133**	**2,859**	**11,992**	**2,282**	18,816	2,776	13,318	2,722
UASA	**3,183**	**1,937**	**853**	**393**	3,676	2,271	965	440
Solidarity	**1,242**	**445**	**564**	**233**	1,257	394	594	269
Non-unionised	**3,381**	**1,333**	**1,528**	**520**	4,907	1,572	2,492	664
Total	**51,626**	**18,909**	**28,588**	**4,129**	58,644	20,733	32,712	5,020
Membership representation (%)								
AMCU	**52**	**65**	**48**	**16**	51	66	47	18
NUM	**33**	**15**	**42**	**55**	32	13	41	54
UASA	**6**	**10**	**3**	**10**	6	11	3	9
Solidarity	**2**	**2**	**2**	**6**	2	2	2	6
Non-unionised	**7**	**8**	**5**	**13**	9	8	7	13
Total	**100**	**100**	**100**	**100**	100	100	100	100

Union representation 2017 – US region (%)*

	Stillwater (including Blitz)	Columbus Metallurgical Complex	East Boulder	Administrative support staff
USW	80	61	77	0
Non-unionised	20	39	23	100

** Altar and Marathon do not have unionised employees*

SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

At the US region operations, 1,163 of the 1,513 employees belong to a union. The 1,163 employees are represented by the USW (Local 11-001), for which there are two contracts. At Stillwater/Columbus Metallurgical Complex, 845 employees have union representation and at East Boulder, 318 employees.

Strikes in 2017

There were no wage-related strikes in the SA region in 2017. There was a strike at the Cooke operations in June 2017 due to a restriction on food being taken underground related to efforts to combat illegal mining. This led to a 15-day strike and 181,680 hours of lost production.

Salaries and wages

Given the volatility of metal prices, managing the total cost of employment is essential in managing productivity.

In 2017, the basic monthly wage rate ranged from R8,012 for a Category 4 employee to R11,445 for a Category 8 employee. The corresponding total monthly fixed earnings ranged from R12,954 to R17,184 respectively, with total average monthly earnings varying between R16,015 and R22,709 respectively. Gross wages paid in 2017 in the SA region were R13.7 billion (2016: R9.3 billion), with the increase primarily due to the acquisition growth of the Group.

In the US region, gross wages and salaries paid for the 8 months as part of the Group totalled US$114.7 million (R1.5 billion).

Wage negotiations

During the year, wage negotiations were successfully concluded at Kroondal in the SA region and at the PGM operations in the US region.

At Kroondal, a three-year wage agreement was signed with all three unions (AMCU, NUM and Solidarity). The agreement, effective from 1 July 2017, includes an annual increase of R1,000 a month for three years for Category B employees (lower category employees) with inflation-related annual increases agreed for Category A employees. Medical aid subsidies will also increase. Combined, these increases represent an average escalation of about 7% in Kroondal's total wage bill and helped to align wage scales here with those at Bathopele – both Kroondal and Bathopele are mechanised operations. This will contribute to business continuity and promote certainty regarding Kroondal's integration within Sibanye-Stillwater.

Optimal production performance continued at Kroondal throughout the wage negotiations with yet another production record being set in the same month as the wage negotiations were concluded. This reflects the high level of employee trust prevailing at the operation.

While still owned by Anglo American Platinum, a three-year wage agreement was signed at the Rustenburg operations and became effective from 1 July 2016, prior to their acquisition.

The wage agreement signed by the South African gold operations with all unions in 2015 expires on 30 June 2018 and the next round of wage negotiations in the sector is due to begin shortly.

In the US region, a two-year wage agreement was signed with the USW, the representative union at the Stillwater mine in Montana. In terms of the agreement there was a 2% general wage increase for all job categories effective from 2 June 2017 to 1 January 2018, and a 1% increase, effective from 1 January 2018 to 1 June 2018. An annual increase of 2% was agreed for the second year of the agreement, from 2 June 2018 to 1 June 2019.

Negotiations with the USW regarding East Boulder were concluded towards year-end 2017. A new four-year wage contract was signed that included a two-year extension. The next wage negotiations will be in December 2021. The agreed wage increases were a 1% increase effective 1 January 2018 and a US$1,000 bonus that was paid by 1 February 2018, followed by annual increases of 2% for 2019, 2.5% in 2020 and 2% in 2021.

Employee share ownership scheme – SA region

By the end of 2017, 22,269 employees (2016: 24,523) were participants in our employee share ownership plan, the Thusano Trust, which was established in 2010 when employees of Gold Fields acquired 13,524,365 Gold Fields shares, in line with a collective agreement between the NUM, UASA, Solidarity and Sibanye (previously GFI Mining South Africa Proprietary Limited). The shares were allocated to employees in Paterson employment bands A, B and C, according to their years of service.

With the unbundling of Gold Fields and the creation of Sibanye Gold Limited in 2013, Sibanye employees were allocated an equal number of shares in each company.

With the acquisition of the Rustenburg operations during 2016, Sibanye-Stillwater concluded a 26% broad-based BEE transaction through a subsidiary. In terms of this transaction, Rustenburg Mine Employees Trust now has a shareholding of 30.4%, Rustenburg Mine Community Development Trust 24.8%, Bakgatla-ba-Kgafela Investment Holdings 24.8% and Siyanda Resources Proprietary Limited 20%.

Matshediso programme

At Sibanye-Stillwater, we endeavour to create meaning beyond the workplace. The Matshediso programme assists the dependants and families of employees who have been disabled or fatally injured as a result of a mine accident and aims to help break the cycle of poverty and to secure the future of those directly affected. In 2017, R761,100 (2016: R685,600) was paid to beneficiaries.

The Matshediso programme was revised in 2017 and certain benefits improved. Enhanced benefits include an increased allowance for education and schooling, school uniforms, stationery and transport, among others. In addition, the programme allows for an automatic bursary/internship to be awarded in an area of study of the dependant's choice at a recognised tertiary institution, subject to the minimum acceptance requirements being met. This applies to all dependants.

Addressing indebtedness

Our Care for iMali programme to fight indebtedness has been very successful and we continue to roll it out to community members as well. For more information, please refer to the Care for iMali fact sheet on www.sibanyestillwater.com

SA REGION – TRANSFORMATION, INCLUDING THE MINING CHARTER

Our aim is for our workforce to be diverse and demographically representative of the areas in which we operate – in both the SA and US regions. In South Africa, this is a legislative requirement in terms of the Mining Charter and the Employment Equity Act. Establishing a workforce that broadly reflects the country's demographics remains one of our business and social imperatives and we strive to go beyond compliance to be a fully transformed and inclusive company.

A Transformation Steering Committee was established under the auspices of the Head of Human Resources. The main focus of this committee is to drive the transformation agenda across the business and to develop and implement an integrated approach that includes all elements of transformation – employment equity, gender equality, enterprise development and preferential procurement, and constructive community engagement and development.

We have implemented diverse initiatives to identify, develop, retain and attract historically disadvantaged South African (HDSA) talent. We have exceeded the transformation targets set by the 2014 Mining Charter. Employment equity has improved from less than 40% five years ago to more than 45% at the end of 2017, while women employed has increased to 13% from 11%.

Currently around 70% of the workforce at the SA region's operations is migrant, with 30% of the total workforce at the gold operations and 20% at the PGM operations being foreigners. Employees who are not from the local community near the mines are deemed to be migrant. Around 37% of employees reside locally, which includes some migrant employees residing locally.

LOCALISATION AND COMMUNITY RECRUITMENT

Unemployment remains a challenge in South Africa and in the communities surrounding our mines. To help address the situation, our recruitment and human resources development strategies have become more locally focussed.

The recruitment function has been incorporated into a centralised human resources services centre. We also consult more closely with local government and community leaders on recruitment to manage expectations responsibly. Certain gold operations have signed memoranda of understanding with local government and community leaders on fair and transparent recruitment processes. These recruitment practices have been extended to our PGM operations and new employees are increasingly being drawn from local communities.

While we continue to employ more people from local communities, we strive to continue supporting labour-sending areas where mine remittances are often the sole source of income for impoverished communities.

Given the labour-optimisation initiatives undertaken in 2017, a moratorium on recruitment was put in place for the better part of the year. External recruitment was significantly reduced which affected the number of new recruits from local communities.

Local community recruitment – SA region

	2017		2016		2015	2014
	PGM	Gold	PGM*	Gold	Gold	Gold
Appointments – total	**502**	**2,239**	–	4,017	4,363	841
Local recruitment:	**401**	**936**	–	2,877	3,705	640
Local community members employed (%)	**80%**	**42%**	–	72%	85%	76%

** A moratorium on recruitment was in place*

SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

The recruitment strategy in the US region is focused on replacing attrition as well as adding personnel for the Blitz expansion. Most employment positions are filled from within local communities, while technical and management positions are recruited from US universities and the US mining industry.

In the US region, Stillwater and the Columbus Metallurgical Complex, together with all support offices, are located in Stillwater County, Montana, while East Boulder is in Sweet Grass County. In all, 92% of employees reside in Montana, and 45% in the same county as the operation at which they are employed.

US region: distribution of employees by Montana county*

County	No. of employees
Stillwater	540
Yellowstone	420
Sweet Grass	148
Park	155
Carbon	121
Other locations**	121

* *As at 31 December 2017*

** *Excludes 8 employees at the Marathon and Altar projects based in Argentina and Canada*

WOMEN IN MINING AND GENDER EQUITY

Our approach to women in mining (WIM) and gender equity focuses on establishing a working environment and culture that supports and proactively attracts women at all levels, and which accelerates gender equity through employee development and improved communication, promoting awareness and understanding of gender diversity and equity, and removing gender-related barriers to make the working environment more conducive for women. In reviewing our human resources policies, ensuring that they are gender neutral was a priority.

Women representation in our workforce overall improved slightly to 13% in 2017 with 10% of core mining roles being held by women. The moratorium on recruitment posed a challenge to our efforts to increase the overall level of women representation. In 2017, a particular focus of executive assessments and succession planning was to increase female representation in middle management.

Women employed (%)

	2017				2016			2015	2014	2013
	Group	US region	SA region		SA region			SA region		
	Total	PGM	Gold	PGM	Total	Gold	PGM	Gold	Gold	Gold
Representation	**13%**	**8%**	**10%**	**14%**	11%	7.2%	13.6%	6.6%	5.2%	3.5%

Sexual harassment is a serious matter that disrupts harmony in the workplace, violates our values and will not be tolerated. Awareness and understanding of sexual harassment play a pivotal role in preventing sexual harassment in the workplace and, to this end, regular awareness campaigns are conducted. Sexual harassment is also addressed in employee "return from leave" refresher induction training. A sexual harassment policy governs the procedures to be followed in dealing with incidences of sexual harassment. Sibanye-Stillwater recognises the seriousness of sexual harassment and the sensitivities around it, as well as the negative impact it can have in the workplace. As a result, a special priority sexual misconduct unit has been tasked with handling all sexual harassment cases reported.

Women in core mining positions (%)

	2017			
	US region	SA region		
	PGM	Total	PGM	Gold
Number	**30**	**4,474**	**2,463**	**2,311**
Representation	**26%**	**10%**	**13%**	**7.8%**
				4,774 of total workforce (10%)

Recruitment by category

	SA region			2017 Gold			2017 PGM			2016 [3] Gold			2015 Gold			2014 Gold		
	Total	WIM	%	Total	WIM	%	Total	WIM	%	Total	WIM	%	Total	WIM	%	Total	WIM	%
Management [1]	147	25	17	**109**	**18**	**17**	**38**	**7**	**18**	88	7	8	88	18	20	16	3	19
Senior manager [2]	14	–	–	**14**		**–**	**–**	**–**	**–**	8		–	9		–	–	–	–
Core and critical	2,442	392	16	**1,924**	**327**	**17**	**518**	**65**	**13**	3,687	538	15	3,957	809	20	754	83	11
Total	2,718	473	17	**2,008**	**345**	**17**	**710**	**128**	**18**	4,017	545	14	4,363	827	19	841	86	10

[1] *Management is D and EL positions*
[2] *Senior management is EU and above*
[3] *A moratorium on recruitment at the SA PGM operations was in place for 2016*

HUMAN RESOURCE DEVELOPMENT

The SA region academy is committed to developing the knowledge, skills, attitudes and behaviours of its employees to achieve the desired levels of performance for organisational, personal and broader social objectives through various training methods, ranging from classroom teaching, self-learning, learner peer group discussions and experiential learning. Our skills development initiatives are also extended to our host communities, in line with organisational requirements.

In 2017, Sibanye-Stillwater invested R532 million (2016: R403 million) in human resource development in the SA region – representing 8.33 million hours of training. This was equivalent to 79.6 training hours per employee (2016: 88.96). The total number of employees and community members attending one or more of our training programmes increased by 26,011, from 78,636 in 2016 to 104,647 in 2017. The reduction is a result of the streamlined learning and development delivery process, aimed at maintaining training quality while significantly reducing the duration of the short to medium length training courses.

Training and development

Most of our human resource development programmes are conducted under the auspices of the Sibanye-Stillwater Academy. These programmes, which include skills training and development, adult education and training as well as study assistance bursaries, learnerships and portable skills training, are directed at both Sibanye-Stillwater employees and members of host communities. The academy is fully accredited by the national Mining Qualifications Authority (MQA) Sector Education and Training Authority (SETA) and its programmes have been approved by a number of SETAs. Satellite campuses are located at various operations, and managed centrally by the Academy.

Having completed the second five-year Social and Labour Plan (SLP) cycle in 2016, the SA region drew on past lessons and achievements, and embarked on a revised and more tailored approach to developing an HRD plan for the SLP cycle for the five-year period from 2017 to 2021. In the new plan, particular emphasis was placed on developing specific critical skills required in terms of our strategy, with a continued emphasis on identifying employees with potential for succession, and cultivating an enabling environment for employees to progress and be absorbed into the talent pipeline needed to sustain our business into the future. The HRD targets set in the plan are more realistic and aligned with the actual skills requirements and take into account the many factors affecting demand for skills, including the demographic profile of the workforce, life-of-mine projections and employee turnover rates at each operation.

This approach will help to realise greater returns from investment in training and development, and enable a greater number of vacant posts to be filled from the internal talent pipeline, thus promoting positive employee career progression paths. This can be observed in the resourcing statistics for positions filled internally during 2017 (55% in the SA region as a whole 79% at the gold operations and 30% at the PGM operations). We expect the rate of internal resourcing at the PGM operations to increase from 2018 and onwards as talent pools are boosted.

Learnerships and bursaries

To attract new high-potential talent from local communities and among school leavers, Sibanye-Stillwater allocates learnership and study assistance bursary opportunities. Traditionally, we have made provision for young community members to enter mining and engineering occupational learnership qualification programmes or to pursue tertiary qualifications through a range of bursaries allocated for studies in core mining-related disciplines.

In addition, in 2017, Sibanye-Stillwater implemented a new integrated work and tertiary study programme, providing an opportunity for learners to alternate university attendance with structured on-the-job exposure and experience. The aim is to accommodate high-potential learners and enhance their readiness for the work environment and for senior roles, two to

SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

three years sooner than is the case with the standard bursar and internship approach.

The inaugural group of 11 learners on the integrated study programme completed the first year of their academic studies in 2017, collectively achieving 41 distinctions.

In 2017, the SA region invested R37.7million (2016: R14.2 million) in bursaries for 121 bursars, with 11 taking up permanent employment (2016: 20).

Sibanye-Stillwater also partners with the MQA to provide additional opportunities for young South Africans, who are not beneficiaries of industry-funded sponsorship, to gain work experience through practical work programmes and internships.

During 2017:

- 176 third-year university students attended a two-month vocational work programme in preparation for their final year of studies, which they will enter in 2018 (2016: 40). As a result of the "fees-must-fall" campaign at many South African universities, only company bursars were accommodated for vocational work
- 162 students in total (2016: 130) attended internship programmes, with 50 learners completing a one-year practical work programme, while another 15 students began the first year of a two-year graduate development programme

Sibanye-Stillwater also invests in education and research programmes at universities. We have strategic partnerships with the University of Johannesburg and the University of the Witwatersrand. These partnerships were consolidated further during 2017, when sponsorship agreements were concluded with each institution for a combined value of R30 million over the next three years.

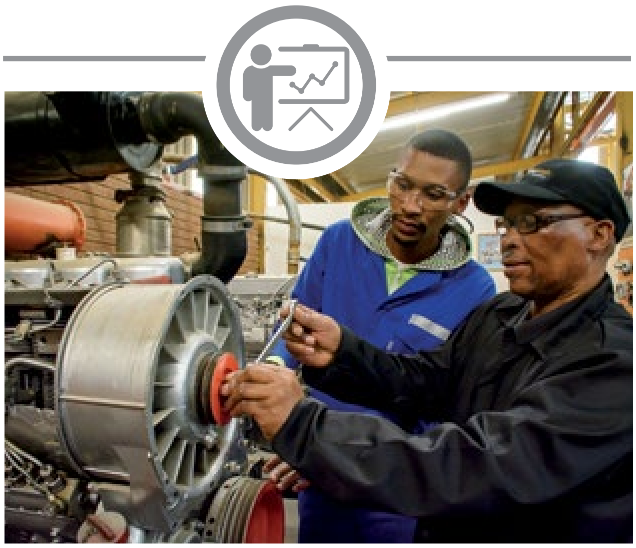
Sibanye-Stillwater also contributed R3.6 million (2016: R2.5 million) in 2017 – R2.5 million from the SA gold operations and R1.1 million from the SA PGM operations – to the Minerals Education Trust Fund, established by the Chamber of Mines, to assist universities to offer competitive salaries, and so attract and retain top academic talent.

Adult education and training

Following the incorporation of the SA PGM operations into the SA region, 43% of employees in the region had qualifications equivalent to adult education and training level 3 and higher in 2017 – 62% for the SA gold operations (70% in 2016) and 24% for the SA PGM operations.

The adult education and training strategy was revised during 2017 for implementation in 2018. The revision is intended to improve the process to select students with potential for the programme, and to provide more focused monitoring of progress made and advancement into available occupational learnerships once students have attained the requisite levels of numeracy and literacy. Similar processes have been implemented at the PGM operations.

In 2017, 11 employees (2016: 16) who had attended adult education and training moved into the learnership pipeline, and eight apprentices who had completed their learnerships were permanently employed by Sibanye-Stillwater.



SA REGION – PGM OPERATIONS

The PGM operations in South Africa have been fully integrated into the company from a training and development perspective, and a talent/succession strategy developed for these operations. All psychometric assessments for D level and lower employees at these operations are conducted internally by a registered psychologist, a move which has yielded cost savings. The Sibanye-Stillwater Academy training courses have been adapted for the PGM operations while adult education and training is centralised.

For the more mechanised PGM operations, Bathopele and Kroondal, training programmes are being integrated and centralised using simulation machines. Burnstone, planned as a mechanised mine, will also make use of these training facilities.

Portable skills training

Our portable skills training equips employees with practical skills that will be useable beyond the mining industry and will stand them in good stead for life after mining. We offer training to community members in skills facilitating employment and entrepreneurship. In addition to training, recognised by the South African Qualifications Authority, in the mechanical, electrical and construction trades, training is also provided in agriculture, clothing and textile manufacturing.

SA region: Human resource development: Training spend (R million)

	2017 Actual	2016 Actual
Beatrix	**73**	59
Cooke	**23**	34
Driefontein	**132**	118
Kloof	**111**	109
Kroondal*	**59**	–
Rustenburg**	**134**	–
Total	**532**	320

* *Kroondal not included in 2016 Integrated Annual Report, no SLP in place*

** *Rustenburg operations not included in the 2016 Integrated Annual Report*

SA region: Human resource development – 2017

	Expenditure (Rm)	No. of learners	Total no. of training hours
Internships	**38**	**162**	**326,592**
Bursaries	**11**	**121**	**243,936**
AET (employees)	**28**	**719**	**258,840**
AET (community)	**9**	**238**	**107,100**
Engineering learnerships	**32**	**241**	**485,856**
Mining learnerships	**62**	**332**	**669,312**
Portable skills (employees)	**2**	**24**	**1,152**
Portable skills (community)	**5**	**123**	**11,808**
Leadership development	**15**	**162**	**6,480**
Core skills training	**314**	**96,430**	**6,171,520**
Coaches/mentors training	**0.2**	**159**	**1,272**
Employee indebtedness	**7**	**5,684**	**45,472**
Academic support and research	**3**	**–**	**–**
Other	**6**	**252**	**2,016**
Total	**532**	**104,647**	**8,331,356**

SUPERIOR VALUE FOR THE WORKFORCE CONTINUED

HUMAN RESOURCE DEVELOPMENT – FOCUS AREAS:

- Sibanye-Stillwater has identified a significant shortage of employees who have achieved the minimum educational qualifications for entry into the engineering learnership programmes. We have introduced a study assistance programme for employees to attend Department of Education-registered national certificate courses (N-course studies). Employees can apply for a financial grant to attend these N-courses on a part-time or full-time study basis, which upon completion, will make them eligible to apply for the formal learnership programmes
- Quarterly and annual talent reviews monitor progress made on succession
- Implementation of the revised adult education and training strategy
- Approval of the maths and science project funding model and budget – The Maths and Science Centre in the West Wits area is aimed at improving the lives of teachers and learners by providing assistance and training to help improve learners' results for grades 10 to 12 in maths and science. This intervention will also support the growth of Sibanye-Stillwater's talent pool as well as building teacher competencies in these subjects
- Implementation of the revised Matshediso programme. The revised programme encompasses the following per dependant annually:

Benefit	2017 policy	2016 policy
Host schools	R5,000	R2,500
Boarding schools	R10,000	N/A
Uniform, stationery, text books and transport	R2,000	N/A
Extra classes at host schools	R500	N/A
Study opportunities	Automatic bursary/ internship awarded for study of the child's choice at a recognised tertiary institution (minimum requirements applicable)	Bursary opportunities only in core mining disciplines, including finance (minimum requirements applicable)

Training in financial management

Additional training on home ownership, debt counselling and coaching is provided by financial coaches at all operations. All garnishee orders received are validated and managed, and employees are informed of new garnishee orders received. Excessive instalment deductions are negotiated to assist employees to take home at least 30% of their earnings. Savings of R1.34 million in illegal deductions have been achieved on behalf of employees – R1.28 million at the SA gold operations and R68,000 at the SA PGM operations – since implementation of the second phase of the Care for iMali indebtedness programme in 2015.

See case study for further information and progress made in 2017 regarding this initiative.

US REGION – HUMAN RESOURCE DEVELOPMENT AND TRAINING

Training in the US region includes induction and annual refresher training, miner 3, compliance and professional training. Total spend for the eight months May to December 2017 was US$1.3 million (R17.3 million). In terms of leadership development, 230 salaried employees participated in a proprietary five-module leadership development training programme addressing the tenets of communication, business sense, teamwork, visionary leadership and character. Another six employees participated in the educational assistance programme in 2017 whereby the US region reimbursed 75% of the costs (tuition, fees, books) for their continuing education.

NUTRITION

The diets and nutritional value (kilojoule count) of meals provided to miners residing in single accommodation complexes at the SA operations are regulated by the Mining Charter. Residents receive four meals a day as well as a nutritious mid-shift snack. A registered dietician conducts quarterly rotational audits and confirms and monitors that the menu offered to residents provides sufficient kilojoules and complies with the Mining Charter's prescriptions. The quarterly audits include inspections of the kitchens and related infrastructure, hygiene and menus.

Each complex has a residency committee whose members include the complex manager, catering manager and elected resident representatives. These committees, at which minutes are taken, meet to discuss residents' needs and complaints and to monitor catering performance, among other matters.

HUMAN RIGHTS

Our employees, including security personnel, are trained to uphold human rights and respect all cultures and customs. Regular refresher training is provided in terms of our human rights policies and recruitment procedures and when employees return from leave.

Training of security employees was again included in our Workplace Skills Plan for 2017, which guides our approach to training and development needs in the workplace. The Workplace Skills Plan is published annually, in line with the requirements of the Skills Development Act, 1998 (Act No 97 of 1998) and the Labour Relations Act, 1995 (Act No 66 of 1995). It is compiled jointly by the employer, employee representatives and non-unionised employees.

Our human resources policies also address human rights, as well as child/forced labour at all operations, employment equity and employee relations, including discipline and recognition. Our suppliers are encouraged to abide by these policies too. For more information on our policies, including that on human rights, please refer to www.sibanyestillwater.com

GOVERNANCE

- Human resource performance is monitored by Sibanye-Stillwater's internal audit function
- Externally, for the South Africa operations, the regulator monitors compliance with various legislation including:
  - Mineral and Petroleum Resources Development Act (MPRDA) – Department of Mineral Resources (DMR)
  - Broad-Based Black Economic Empowerment (BBBEE) – Department of Trade and Industry
  - Employment legislation – Department of Labour
- External audits of certain Mining Charter indicators are conducted by internal and external auditors and the DMR
- Psychometric assessment tools used comply with the Health Professions Council of South Africa
- Frequent remuneration benchmark studies are conducted. Auditors, PwC, prepare formal reviews twice a year with monthly reviews being compiled. This enables almost continuous benchmarking. Any discrepancies are reported to the Board. See remuneration report
- Shaft committees report quarterly on all employee concerns to the operations committees which in turn report to leadership committees and in turn to the Social and Ethics, Remuneration, and Nominations committees
- Every South African operation has an SLP forum and an employment equity forum which meet quarterly and a skills development committee which meets monthly. These forums are attended by representatives from the unions, the Academy and management.
- The CCMA monitors compliance with labour legislation governing fair employment practices and disputes.
- Various courts adjudicate on compliance with various labour laws and disputes.

FUTURE FOCUS

- In the coming year, our focus will be on further developing our economic value proposition for employees and delivering a rewarding career experience that will include, inter alia:
- Implementation of the career growth model across the SA region
- Continued implementation of the Sibanye-Stillwater operating model at the SA PGM operations
- Implementation of an integrated strategic workforce plan in the SA region
- Executive leadership development
- Launch of the SA region's employee value proposition
- Establishing a positive and engaging culture
- Building management capability

In the US region, focus will be on the following aspects of the economic value proposition:

- Ensuring quality manpower recruitment to meet operational needs
- Continuing salaried leadership development, focused on role clarity and developing skills
- Ongoing development of succession planning

SAFETY AND HEALTH FOCUS

MESSAGE FROM THE CEO

"We are making steady progress on our journey to improve safety, health and wellbeing in the workplace and to achieving zero harm."

Neal Froneman – Chief Executive Officer

APPROACH TO SAFETY, HEALTH AND WELLBEING

The safety, health and wellbeing of our employees, the most vital of our stakeholders, is paramount. In addressing these three aspects, our approach is based on Sibanye-Stillwater's CARES values – commitment, accountability, respect, enabling and safety – and our safety, health and wellbeing tree.

Our approach to safety in particular and the journey to achieve our goal of zero harm is a continuous process. This process involves constantly refreshing, revitalising and renewing safety campaigns and messages. Safety remains one of our top 10 risks and ensuring the safety of employees in the workplace is a moral imperative.

SAFETY

PERFORMANCE 2017

The benefit of the revised safety strategy adopted in the SA region in the latter half of 2016 and rolled out across the operations during 2017, is evident in improvements in all the main safety indicators across the region for the six months ended 31 December 2017. Compared with the same period in 2016, the SA region's serious injury frequency rate (SIFR) improved by 14% to 3.59 per million hours with the lost-time injury frequency rate (LTIFR) improving by 13% to 5.76 per million hours worked.

The SA region's gold operations had recorded 85 fatality-free days by year-end, the longest run in our history. Its safety performance compared well with that of peers with similar operations in the sector, as did the SA region's PGM operations regarding fatalities and serious injuries.

SA region – safety performance 2017

Company	FIFR	FIFR Ranking	SIFR	SIFR Ranking	LTIFR	LDIFR Ranking
Gold operations	0.09	1	4.11	1	6.32	1
Gold peer 1	0.11	2	5.00	3	10.08	3
Gold peer 2	0.15	3	4.18	2	7.07	2
PGM operations	0.04	1	2.59	1	4.69	2
PGM peer 1	0.10	3	4.86	3	7.37	3
PGM peer 2	0.05	2	3.00	2	4.27	1

Source: Industry Working Group

Despite the improved performance during the year, it is with deep regret that Sibanye-Stillwater reports the death of 11 employees during 2017 (2016: 14), all in the SA region – nine employees at the gold operations and two at the PGM operations (2016: 12 and two, respectively).

In memoriam – 2017

Date	Name	Operation	Occupation	Cause
14 January	Sphampano Machenene	Beatrix	Miner	Rail-bound equipment
3 February	Mxolisi Cekiso	Beatrix	Rock drill operator	Collapsed "plug" in ore pass
13 April	Mbuze Ncobela	Kloof	Team leader	Fall of ground
16 May	Seabata Khetla	Beatrix	Locomotive operator	Rail-bound equipment
6 June	Andile Nkwenkwe	Driefontein	Rock drill operator	Fall of ground
26 July	Nkosinathi Marumo	Burnstone	Labourer	Trackless vehicle accident
15 August	Thandisile Deku Rangwaga	Kloof	Mine sweeper	Fall of ground
4 September	Puseletso Molobogeng Mashego	Driefontein	Stoping team	Scraper winch
5 September	Geraldo Sitoe	Kloof	Locomotive operator	Rail-bound equipment
20 September	Sibongile Ganithuli	Rustenburg	Team supervisor	Rail-bound equipment
10 November	Moagisi Selaotswe	Rustenburg	Sweeper	Trackless vehicle accident

Initially, the positive safety performance continued into 2018, with the entire SA region being fatality free for January 2018. Sadly, four recent fatalities at our SA gold operations in February 2018, brought to an end a 3.8 million fatality-free shift period at the SA gold operations and 3.6 million fatality-free shifts at the SA region as a whole.

Safety incidents are of concern to all of us. We are actively investigating what caused these incidents and will take necessary action to prevent them from occurring again. The Board and management of Sibanye-Stillwater extend their deepest condolences to the families, friends and colleagues of Ngobeni Solly Dumisani (Special Team Leader, Kloof), Dube Chicco Elmon (Winch Operator, Kloof), Mating Matela (General Miner, Driefontein) and Mncwazi Zanempi (Artisan Assistant, Driefontein). Our journey towards zero harm continues.

For comparative purposes, the US operations' total reportable injury frequency rate (TRIFR), measured per million hours worked, for the year was a record low of 12.7, an improvement on the 12.9 recorded for 2016. The East Boulder mine was free from lost day and serious injuries for the entire year and the US region reported no contractor injuries for the entire year. The SIFR is a new metric for the US region and has been calculated retrospectively to 2013. It should be noted that this is the combination of lost-time incidents and medically-reportable injuries. It does not reflect the SA region's similarly named TRIFR.

SAFETY ACHIEVEMENTS 2017

SA region

Four million fatality-free shifts:	PGM operations
Three million fatality-free shifts:	Gold operations (achieved 4 January 2018) Kroondal Kroondal (Kopaneng)
Two million fatality-free shifts:	Kroondal (Simunye) Driefontein 2 and 4
One million fatality-free shifts:	Beatrix Driefontein 5

In addition, Beatrix and Driefontein were recognised at the annual MineSAFE awards in August 2017. They were placed second and third, respectively for having recorded the most improved safety performance during 2016/17.

US region

- Achieved 1.84 million fatality-free shifts
- Base Metals Refinery achieved 500,000 hours worked without a lost-time injury
- During 2017, East Boulder received the Montana Mining Association's Safe Work Practices Award for 2016

SAFETY AND HEALTH FOCUS CONTINUED

Safety performance statistics

	2017				2016			2015	2014	2013
	Group	US region [1]	SA region		Group	SA region				
		PGM	PGM	Gold		PGM	Gold	Gold	Gold	Gold
Fatalities	**11**	**0**	**2**	**9**	14	2	12	7	12	9
Fatal injury frequency rate *	**0.07**	**0**	**0.04**	**0.09**	0.10	0.09	0.11	0.06	0.12	0.10
Lost-time injury frequency rate *	**5.78**	**7.73**	**4.69**	**6.32**	6.62	4.84	6.99	6.74	5.87	6.13
Serious injury frequency rate *	**3.59**	**2.42**	**2.59**	**4.11**	4.16	2.88	4.42	4.68	3.88	3.50
Medically treated injury frequency rate **	**2.60**	**24.65**	**2.44**	**2.24**	3.85	5.72	3.47	3.60	3.37	4.32
No. of Section 54 work stoppages	**230**	**na**	**26**	**204**	226	55	171	109	77	55
No. of production shifts lost owing to Section 54 stoppages	**238**	**na**	**49**	**189**	402	245	157	70	99	35
No. of internal work stoppages ***	**46,232**	**na**	**2,559**	**43,673**	21,849	2,044	19,805	18,642	16,423	10,383

[1] *For the period May – December 2017*

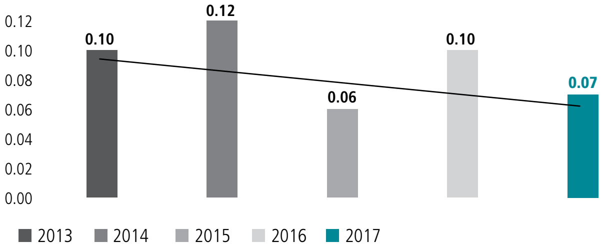
* *Per million hours worked*

** *Also referred to as treat-and-return injury frequency rate (TRIFR). Includes certain minor injuries. MTIFR is based on the Bird model safety pyramid. Sibanye-Stillwater expects and encourages a higher rate than in other categories*

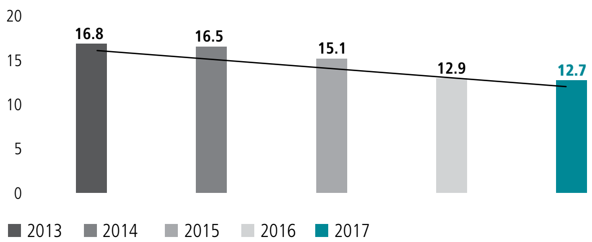
*** *Internal stoppages and the related close outs are an integral part of Sibanye-Stillwater's risk management strategy (any person can stop a task or workplace until arrangements have been made to reduce high risk)*

Note: Group data for 2016 includes the gold and PGM operations from the relevant dates of acquisition during the year while that for 2017 includes the PGM operations in the United States region from May 2017

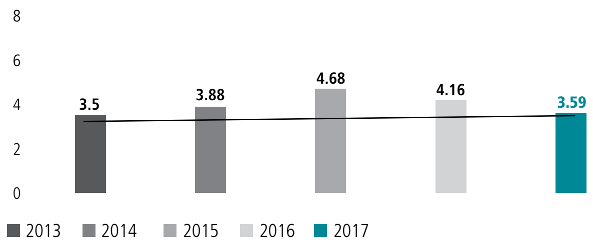
SA region total reportable injury frequency rate
(per million hours worked)



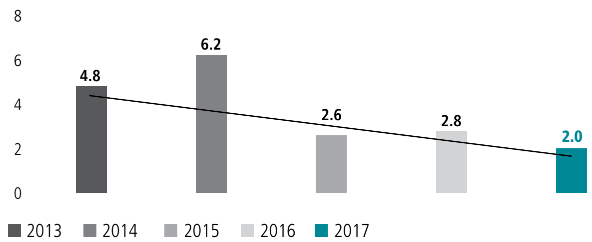
US region total reportable injury frequency rate*
(per million hours worked)



SA region serious injury frequency rate
(per million hours worked)

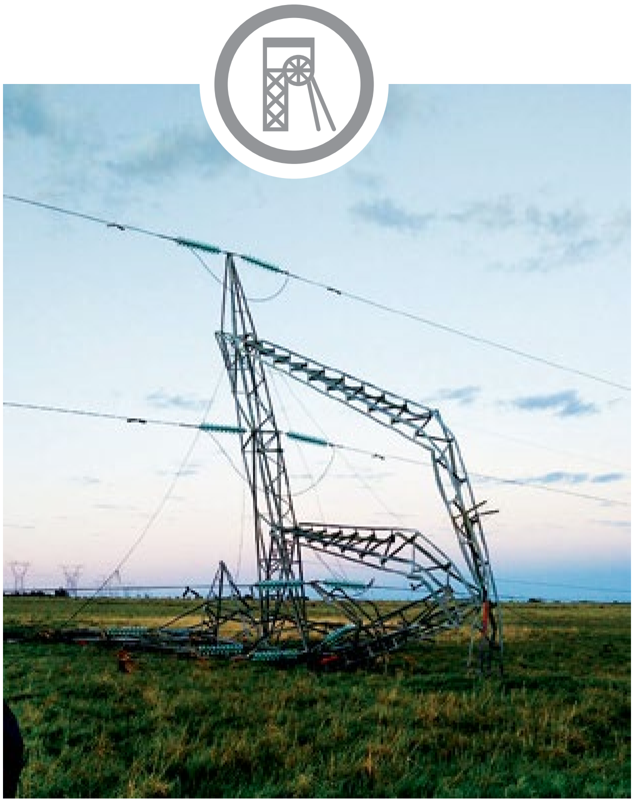


US region serious injury frequency rate*
(per million hours worked)



* *Sibanye-Stillwater acquired the US operations in May 2017. Previous years are included for comparative purposes only as these represent safety statistics reported by Stillwater Mining Company*

Note: Rates are measured per million hours worked



BEATRIX POWER FAILURE IN FEBRUARY 2018 – KEY FACTS

- At 2am on 1 February 2018, a violent storm destroyed main and backup Eskom power lines that feed the Beatrix 1, 3 and 4 shafts, causing a total power outage
- Back-up power was quickly restored to Beatrix 4 shaft where 272 employees were safely brought to surface
- Emergency generators hoisted another 64 employees to surface at 1 shaft
- Damage to critical technical equipment meant 955 employees at 3 shaft could not immediately be brought to surface. They remained in a safe and well ventilated area where we were able to communicate with them, provide food, water and medical assistance
- Water and 1.2 tonnes of food was provided to employees while they were waiting underground
- Although all employees could have been evacuated at any time through the secondary escape way, it was agreed that in the interest of safety, employees should remain at 3 shaft until power was restored. At no point were employees in danger and management was in total control of the situation throughout
- Eskom restored power at 2:30 am on 2 February 2018 and the remaining 955 employees were hoisted to surface

For further details on this, see the case study on the Beatrix power failure available on www.sibanyestillwater.com

ADDRESSING OUR SAFETY PERFORMANCE IN THE SA REGION

Key themes underlying our safety campaigns in 2017 were zero harm and saving lives. Addressing and improving safety is a continuous process. Work begun in 2016 on the Sharp! Sharp! safety campaign to embed a culture of safety within Sibanye-Stillwater continued into 2017, with this campaign now well-entrenched within the SA region, where its roll-out at the gold and PGM operations was completed. While an inordinate amount of time is spent on safety training at our South African operations, improved safety performance benefits Sibanye-Stillwater's overall performance and the achievement of our strategic objectives.

In addition to the Sharp! Sharp! campaign's 12-point safety plan, a top five action plan was compiled for the SA PGM operations, focusing on the five main causes of accidents at these operations. They are conveyors, trackless mining equipment, falls of ground, explosives and material handling. A similar action plan is being designed for the gold operations, based on six key areas: falls of ground, rail-bound equipment, slip and fall, material handling, winches and rigging, and eye injuries.

In line with the theme of 'saving lives', the second phase of the Sharp! Sharp! campaign was launched, based on the slogan I will not look the other way – an extension of the previous year's slogan, I am safe! We are safe! Phepha mina! Phepha zonke! This campaign, rolled out at miner level at all gold and PGM operations in 2017, will encourage accountability for safety incidents or substandard conditions. The Pinagare industrial theatre has played a key role in the roll-out of safety messages and campaigns.

PROMOTING OUR SAFETY MESSAGE

Industrial theatre has proven to be a successful medium for communicating safety messages. Industrial theatre groups were established initially in the Rustenburg area by unemployed people who have now established a formal company, Pinagare. Sibanye-Stillwater briefs the theatre group on a particular safety theme to be promoted and a 'play' incorporating song and dance to tell a story is choreographed on the subject. Industrial theatre, which is very well received by employees delivering an immediate buy-in from employees, has been used extensively and successfully at Kroondal in the past. It is currently being used at the gold mines where the logistics are different and more challenging with the larger numbers of employees (i.e. the audience) at these operations.

SAFETY AND HEALTH FOCUS CONTINUED

"All employees receive regular safety training with new employees undergoing initial training and other employees receiving refresher training."

Four major focus areas of safety-related work in 2017 were:

- **Learning from fatal accidents**

Sharing the critical lessons learnt from fatal accidents throughout the organisation and applying the necessary controls to prevent future incidents of a similar nature is critical in reducing the incidence of fatalities. So too is identifying high-potential hazards that warrant an immediate stop-and-fix action. Formal monthly close-out meetings following a fatal accident ensure that any resulting revisions to standards and controls, re-engineering and training are rolled out across the organisation. All such remedial actions are actively monitored, with all levels being involved, from mine overseer to mine management to executive management. Internal processes are supported by bi-monthly meetings at the MHSC, with peers in the sector, and the DMR, in line with efforts to secure tripartite commitment to more effective safety management processes across the sector, and to facilitate the sharing of information and lessons learnt.

- **Improving our safety culture**

To insure continuous improvement in safety and health, we acknowledge that on culture needs to improve in order to achieve this.

In November 2017, the Safety Culture Transformation Process, an initiative supported by the Board and Executive management commenced at Kloof 3 and 4 shafts. Culture surveys have been concluded at these shafts and the findings are being evaluated for incorporation into the next phase. There has been ongoing parallel engagement with leadership at all levels in the gold operations, focussed on creating the belief that fatals and injuries can be eliminated.

- **Involved leadership**

Allied to this is the implementation of visible-felt leadership, the principle of which is being entrenched throughout the organisation, from executive and senior management level to supervisory level at the stope face. In line with this, the second phase of training to embed a culture of safety at Sibanye-Stillwater includes roll-out of a leadership engagement tool kit.

- **Integrating safety**

A multi-disciplinary integrated safety management system, Syncromine, is being implemented. This system, which involves human resources, rock engineering, occupational health, hygiene and mineral resource management, will link the workplace, technology and people. Implementation has begun with all the gold operations online. Roll-out at the PGM operations is to begin at Kroondal. A steering committee is in place to oversee this process which is IT-dependent and to ensure all necessary training is conducted. The short-term focus is to ensure that the mineral resource management and rock engineering disciplines are closely involved in the planning phase. This system will assist with improved compliance and optimised production planning.

ADDRESSING OUR SAFETY PERFORMANCE IN THE US REGION

The US region is fully committed to the slogan "Everyone goes home safe – every day", which is familiar to all employees and is being integrated into the culture of the business. It is also a part of the GET (guide, educate and train) safety and health management system that is being implemented at all sites in the US region.

Cross pollination of safety regimens between the US and SA regions has begun in the form of the sharing of systems and reports, and in-depth discussions on safety.

US region: Injuries by category

	2017*
Rockfall	3
Struck by objects (tools, equipment etc.)	8
Caught in/between	3
Strains	3
Operating equipment	1
Operating jackleg	3
Eye injuries	3
Chemical burns	1
Slip/trip/fall	2

** For the period May – December 2017*

During 2017, there were several initiatives to improve safety performance in the US region. East Boulder implemented a peer-to-peer workplace safety assessment as a tool to educate, communicate and create a heightened level of safety awareness.

While safety performance has been sound, several challenges exist, moving into 2018. With the J-M Reef ore body being narrow veined, most mining is accomplished through the use of pneumatic jackleg drilling. These drills accounted for approximately 25% of injuries in 2017. Stillwater received its first two drill-handling units and East Boulder received seven more units to continue reducing pneumatic jackleg drilling at the face. A jackleg drill weighs approximately 57kg, causing physical strain and exposure to injury. The new drill handling units are innovative, zero-gravity platforms on which jackleg drills can be mounted, allowing the operator to perform drilling work more safely, with far less strain and reduced exposure to falling material.

All employees receive regular safety training with new employees undergoing initial training and other employees receiving refresher training. The Blitz project expansion, which involves both increased staffing and infrastructure development on mine as well as downstream to the Metallurgical Complex has potential safety implications including the additional safety training required and the performance of new employees while construction activities are underway and non-routine tasks are more common.

SAFETY TARGETS

For the SA region, targets for lagging indicators (injury frequency rates) for 2018 will be based on "cluster benchmarks" being set for similar operations. We will endeavour to maintain the significant improvements made in safety performance during 2017, while targeting an overall improvement of between 10% and 15% for all indicators.

In the US region, the safety goal remains Everyone goes home safe – every day. On our continued path to zero harm, the 2018 goal is to reduce reportable injuries by 10%.

GOVERNANCE

Strict internal controls, procedures and systems are in place to ensure safe operations and that everyone goes home safely at the end of their working day.

In the SA region, the first line of responsibility is operational. The mine overseer is responsible for SA safety tracking and monitoring performance. Reports are presented to management, which in turn report to executive management and ultimately to the Social and Ethics committee and to the Board. Internal audit and the new multi-disciplinary Pivot system monitor various parameters.

As required by the South African Mine Health and Safety Act all employees are represented in formal joint management-worker health and safety committees to ensure that our occupational health and safety programmes are agreed and effective.

In addition to internal monitoring, Sibanye-Stillwater's safety performance is also monitored by several external agencies such as DMR safety inspectors, who conduct unscheduled audits.

In the US region, the joint health and safety committees meet monthly at each operation and at the metallurgical complex to address safety concerns. Both salaried and bargain unit employees co-operate on daily safety audits (risk assessments of production activities). There are two such audit teams at Stillwater while, at East Boulder, peer-to-peer workplace assessments have been conducted to date with a safety audit team to be established during 2018.

Operationally, the vice president/general manager at each site assumes the first line of responsibility, and is supported by the safety department. The operations and safety departments submit regular reports and communicate directly with executive management so that they are kept fully informed.

The Federal Mine Safety and Health Act of 1977 of the United States established the Mine Safety and Health Administration (MSHA) which regulates operations at Stillwater and East Boulder through Title 30 of the Code of Federal Regulations. This regulation includes quarterly external inspections of all facilities by the MSHA.

The Occupational Safety and Health Act of 1970 established the Occupational Safety and Health Administration which regulates the metallurgical complex through Title 29 of the Code of Federal Regulations. Other United States' governmental divisions such as the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Nuclear Regulatory Commission, and the Department of Homeland Security also regulate operations in the interests of public security.

For more information, please refer to our health and safety policy at www.sibanyestillwater.com/sustainability/health-and-safety.

SAFETY AND HEALTH FOCUS CONTINUED

FUTURE FOCUS

The focus in 2018 the SA region will be on the continued roll-out of the behaviour-based training programme as well as finalising implementation of the integrated safety management system. The theme for 2018, "Let's make this year our safest year yet", will be supported by the roll-out of our safety culture transformation programme. The roll out plan for the gold operations has been finalised, targeting 15 Shafts across the Kloof, Driefontein and Beatrix operations over a period of approximately 18 months.

Overall, the focus will remain on improving safety performance by 10% annually and fostering a culture of zero harm to employees.

In the SA region, safety regulations for trackless mechanised mining machinery aimed at preventing collisions are being introduced. The first milestone related to proximity detection was met in June 2017 with further impending regulatory requirements scheduled for June 2018 and December 2019. A group wide collision management risk assessment has been conducted which informs the related operational strategy for future implementation.

In the US region, the focus in 2018 will include the continued implementation of the drill handling units that began in 2016. These units allow the US region to improve workplace safety by moving away from conventional pneumatic jackleg drilling.

Given the high incidence of hand injuries in the United States region, the US PGM operations are implementing a compulsory impact and cut resistant glove policy in the workplace, with exceptions noted. Other operations will be observing and noting the results. Stillwater and East Boulder will both continue implementation of the Newtrax system that will aid equipment and employee location, prevent collisions and facilitate emergency evacuations.

At group level, there will be further cross pollination of information, procedures and systems between the US and SA regions, particularly at the mechanised operations in each region. This sharing of information will benefit both regions as operations learn from each other. A group-wide collision management risk assessment is to be conducted which will inform the related operational strategies to be implemented by the end of June 2018.

HEALTH

APPROACH

As with safety, our health model is based on Sibanye-Stillwater's health and safety policies and the proactive, effective management of employee health and wellbeing. The aim is to provide accessible primary healthcare so as to prevent, detect early and manage diseases, and ultimately prevent progression to disability. The early identification of health risks together with timely interventions and stringent application of the mandatory code of practice on the minimum standards of fitness to perform work at a mine are critical in ensuring that employees are fit, competent and healthy to perform their work.

Sibanye-Stillwater's healthcare model enables employees to optimise their health throughout their lives by helping them to make informed healthcare decisions. Healthy lifestyles are encouraged and this is supported by community infrastructure projects that provide access to affordable, quality healthcare. Strong interdependent relationships with local stakeholders, including the Department of Health, facilitate the integration of regional healthcare systems to ensure the effective use of resources.

A range of healthcare products, including medical aid schemes and statutory insurance benefits for occupational injuries and diseases, are available. Employees are given a choice in selecting their medical aid cover and can choose either the company-funded product or one of several designated medical schemes, including Sibanye-Stillwater's own in-house medical scheme. Medical schemes and options are chosen carefully in terms of strict criteria so that employees receive benefits at an affordable cost.

PERFORMANCE 2017

ADDRESSING HEALTHCARE IN THE SA REGION

While the focus in the initial three-year roll-out of our proactive healthcare model, our *Road map to health*, was on optimising resources, improving efficiencies and providing excellent clinical care, this was expanded in 2017 to include excellence in disease prevention and wellness.

Our *Road map to health* began with an emphasis on clinic-based preventative healthcare rather than curative hospital-based care. These clinics, which are situated on-site at the shafts and at the single-room accommodation complexes, close to the workplace, facilitate easy and immediate access to healthcare. As a result, the need for hospital beds on site for those suffering from acute and chronic illnesses has fallen to zero compared with 870 since 2013. In cases where employees require hospitalisation an appropriate contracted facility provides the services. There has also been a corresponding decline in those needing home-based care – from 109 people in 2014 to 22 in 2017. Our home-based tuberculosis (TB) care programme caters for post-employment care of occupational TB and includes contact screening, clinical management as well as an uninterrupted supply of medication.

The number of recently retrenched employees requiring post employment TB care has reduced from 34 in 2014 to 21 in 2017

In addition, our transformed healthcare system has led to a decline in deaths, medical incapacitation rates and hospitalisation. Screening for TB and HIV testing increased and clinical metrics for both programmes improved (the TB rate continues to decline and HAART adherence has increased to 95%).

In 2017, a rate of 15.7% of days lost due to absenteeism was recorded at the gold operations and services, a slight increase on the 15.1% and 15.4% recorded in 2016 and 2015, respectively. The increase relates to higher absentee numbers at the Cooke operations during the year while these operations were still operational facing closure. At the SA PGM operations, initiatives similar to those at the SA gold operations are being implemented to manage absenteeism.

The total absenteeism rate for the SA PGM operations has reduced to 15% in 2017 from 20% in 2016 and the sick leave to absenteeism rate has also declined from 6.62% to 4.69% in 2017.

Our healthcare model has earned national and international recognition from the global Chief Medical Officers (CMO) Network and the Department of Health with the publication of case studies on developing a national case management framework based on the Sibanye-Stillwater model.

FOCUS ON WELLNESS

Our Road map to health has been expanded to include wellness so as to prevent disease and to promote wellbeing for life. Our wellness programme takes into account both physical, social and mental health. Early in the year, Sibanye-Stillwater successfully participated in a global employee wellness initiative aimed at encouraging participants to increase their levels of physical activity and fitness. In all, around 1,900 people from seven companies in nine countries participated. Of these 452 were from Sibanye-Stillwater. The four-week challenge, run under the auspices of the CMO Network, promoted a better understanding of the health concerns of working people and how to address them. Results indicated that at the end of the challenge, there had been a statistically significant improvement in participants' physical health and mental wellbeing. The challenge highlighted the positive role of cardio-respiratory fitness in particular in preventing disease.

An initiative, *My wellness (an application developed by Technogym)*, focused on improving levels of cardio-respiratory fitness, will be rolled out at all South African operations early in 2018. Sibanye-Stillwater's information and communication technology function is assisting with the customisation of software and programming necessary to monitor people's activity and fitness levels for use on mobile phones. The aim of this initiative is to make taking care of one's health a way of life. It incorporates safety aspects and extends beyond the workplace, to the home and to the world at large. In so doing, employees are encouraged to take greater responsibility for their health and quality of life.

SAFETY AND HEALTH FOCUS CONTINUED

The application will be available worldwide, including the US region. We will be able to use this platform to run corporate challenges globally and track employee health indefinitely.

INTEGRATION OF THE SA PGM OPERATIONS INTO SIBANYE-STILLWATER'S HEALTH MODEL

Good progress was made with the integration of the SA PGM operations into the group healthcare systems. The compulsory health offering includes voluntary counselling and testing for HIV/Aids. There are four critical areas in this offering. They are: emergency medical services, occupational health, primary healthcare and wellness, and case management.

The healthcare system inherited at these operations was predominantly medical aid-based. During the open period for medical schemes, when members review their options, Sibanye-Stillwater will take the opportunity to run initiatives informing employees of the benefits of the various schemes available to enable employees to make informed choices for healthcare funding.

An unfortunate consequence of membership of medical schemes is, owing to confidentiality, the lack of data on HIV/Aids and occupational diseases. Management is investigating amending contracts with these schemes to enable access to this unlinked anonymous data which is important in planning and budgeting.

Partnerships with the medical schemes in the running and financing of clinics in the Rustenburg area in the vicinity of the SA PGM operations have continued. Strategically in this area, we aim to address healthcare equity by improving access to healthcare for employees' families, many of whom remain vulnerable.

In addition, to promote health, nutritional supplements (Future life and a traditional beverage -mageu) are being provided to employees at the SA PGM operations as part of the mid-shift feeding programme. In addition to the provision of safe drinking water the SA PGM operations have included a food at work programme whereby employees can purchase a nutritious meal on mine, which is part of the Group's fundamental principle of ensuring a healthy, fit, competent and safe productive workforce.

HEALTH MANAGEMENT

Healthcare management continued to focus on disease and case management, including lifestyle diseases (hypertension, diabetes and asthma) as well as infectious diseases such as HIV/Aids and TB, and the management of occupational diseases in particular silicosis and noise-induced hearing loss.

HIV/Aids and TB

Retention rates for highly-active antiretroviral treatment (HAART) are currently 95% across the SA region, in line with our aim to ensure employees remain healthy and productive. Results at Beatrix, which previously had the worst retention rates, were particularly pleasing. Here the HAART retention rate increased from 72% in 2016 to more than 98% in 2017.

At the SA PGM operations, just over 1% of those employees tested for HIV/Aids tested positive, which is well below the national prevalence rate of 7.1% (Stats SA 2012/2013, population aged 15-24). We suspect that due to predominant external provision of medical scheme funded healthcare, the data may not reflect the true picture of below national rates for HIV. The rate for the year at the gold operations was 10.2%. In addition, one would speculate that this trend is expected in that employees who have already been diagnosed HIV positive and are enrolled on formalised disease management programmes do not retest.

Simultaneously, the rates of TB have continued to decline, again especially at Beatrix where much focus has been on ensuring compliance to both TB and HIV protocols. This has been accomplished by strict adherence to follow up consultations and active laboratory monitoring of patients by partnering with a research laboratory and integrating electronic systems.

In addition, our transformed healthcare system has led to a decline in deaths, medical incapacitation rates and hospitalisation. Screening for TB and HIV testing increased and clinical metrics for both programmes improved – the TB rates continue to decline, with a reduction of 25% in cases observed at the Gold operations and a reduction of 12 % for the SA region as a whole, while the HAART adherence rate at one year has increased to 95%.

Silicosis

Sibanye-Stillwater is participating in industry efforts to develop and maintain a database of former employees and is tracing people who have left the company's employ. These efforts relate to work being done by the SA gold industry working group on occupational lung diseases (OLD), such as silicosis, which is allied to the Department of Health's Project Ku-Riha. This project is aimed at ensuring that claims for compensation by mineworkers with OLD are paid speedily and efficiently. Sibanye-Stillwater is one of seven South African mining companies participating in the gold industry working group.

To date, 1,986 Sibanye-Stillwater claimants received R33.9 million in payouts, of the total R250 million paid by the Compensation Commissioner for Occupational Diseases industry wide in 2017. In 2018, we will embark on a joint initiative with AngloGold Ashanti and Harmony to contact former employees and their dependants in the West Wits region.

In addition, as part of the implementation of section 189 of the Labour Relations Act retrenchment process, a specific form, known as the V12 Form has to be completed in which a person's contact details are provided for future benefit medical examination as mandated by Occupational Diseases in Mines and Works Act (ODMWA). In addition, those people receiving treatment who are retrenched receive three-months' treatment on their departure and their medical history is transferred to a clinic of their choice, within the Southern African Development Community (SADC). This applies to clinics beyond South Africa's borders. Policies and procedures are in place in case of retrenchment to ensure that the needs of those who are on HIV/Aids and TB treatment programmes are taken into account. In fact, Sibanye-Stillwater ensures that retrenched employees are formally registered on a post-employment programme which ensures continuity of care, drug supply, laboratory screening and ongoing medical support until treatment has been completed.

South Africa – healthcare funding (R million)

	2017			2016			2015	2014
	Regional total	SA region		Group	SA region		SA region	SA region
		PGM	Gold		PGM	Gold	Gold	Gold
Medical schemes	**714**	**404**	**310**	679	400	278	296	282
Company funded	**324**	**21**	**303**	336	31	305	323	357
Compensation for occupational injuries and diseases* (Rand Mutual Assurance Company)	**191**			178	52	125	115	106
Total*	**1,229**	**425**	**613**	1,193	483	709	733	745

**Healthcare funding costs exclude Occupational Diseases and Mine Act Dust Levies for both Gold and PGM operations*

South Africa – how employee healthcare is funded

	2017			2016			2015
	Regional total	SA region		Group	SA region		SA region
No. of employees		PGM	Gold		PGM	Gold	Gold
Principal medical scheme members	**30,854**	**22,465**	**8,389**	28,555	20,624	7,931	8,416
Company funded employees	**30,696**	**21**	**30,675**	32,677		32,677	31,419
Total employees	**61,550**			61,232		39,835	
% Employees on medical schemes	**50%**			47%		21%	

South Africa – medical conditions under management

	2017			2016			2015
	Regional total	SA region		Group	SA region		SA region
		PGM	Gold		PGM	Gold	Gold
Chronic medical conditions (schemes)	**13,532**	**8,546**	**4,986**	13,242	8,451	4,791	4,700
Chronic medical conditions (company)	**8,978**	**–**	**8,978**	9,790	–	9,790	8,814
Total	**22,510**	**8,546**	**13,964**	23,032	8,451	14,581	13,514

SAFETY AND HEALTH FOCUS CONTINUED

South Africa – HIV/Aids and voluntary counselling and testing (VCT) and HAART

	2017			2016			2015	2014
	SA region			SA region			SA region	SA region
	Total	PGM	Gold	Total	PGM	Gold	Gold	Gold
VCT offered	**51,116**	**25,008**	**26,114**	54,541	27,226	27,225	23,538	–
VCT conducted	**20,326**	**9,932**	**10,394**	28,171	16,728	11,989	8,505	5,590
HIV-positive	**1,168**	**113**	**1,055**	2,284	650	1,634	1,929	1,169
Proportion of workforce tested	**29%**	**40%**	**23%**	39%	62%	25%	18%	13%
New recipients of HAART [1]	**843**	**Unknown**	**843**	928	Unknown	928	875	548
Cat 3-8 employees on HAART	**5,688**	**0**	**5,688**	5,561	Unknown	5,561	5,023	4,604
HAART patients who are employees [4]	**9,761**	**3,133**	**6,628**	9,925	3,545	6,380	5,750	5,283
Employees who have left HAART [2] programme	**46**	**0**	**46**	86	Unknown	86	127	57
HIV prevalence [3]	**6%**	**1%**	**10%**	8%	4%	13%	22%	21%

[1] *Entry-level mining employees (Category 3-8) employees*

[2] *Employees who left the HAART programme within 12 months of starting antiretroviral therapy. These include those retrenched employees with ill-health, and any other labour-related terminations*

[3] *The prevalence rate reported is based on the number of employees testing positive as a percentage of the total number of employees tested in a given period and not as a percentage of the total workforce*

[4] *HAART patience alive and on treatment*

South Africa – TB: number of new and retreatment cases

	2017			2016			2015	2014
	SA region			SA region			SA region	SA region
	Total	PGM	Gold	Total	PGM*	Gold	Gold	Gold
TB	**623**	**148**	**475**	707	73	634	744	832
Cardio-respiratory TB	**570**	**148**	**422**	618	73	545	679	715
New cases of drug resistant TB	**28**	**0**	**28**	24	Unknown	24	29	
New cases of multi drug resistant TB	**17**	**0**	**17**	16	Unknown	16	14	34

* *Health data for the Platinum Division (Kroondal and the Rustenburg operations) covers the entire 12 months of 2016. Tuberculosis data collection for the Rustenburg operations has been improved with inputs from the medical administrators. Sibanye-Stillwater is currently in discussions with the Medical Bureau of Occupational Diseases regarding outstanding payments for dust levies due prior to the acquisition of the Rustenburg operations*

South Africa – occupational health management

	2017			2016			2015	2014
	SA region			SA region			SA region	SA region
	Total	PGM	Gold	Total	PGM	Gold	Gold	Gold
Medical surveillance and certificate of fitness examinations – total	**138,173**	**52,852**	**85,321**	140,359	52,408	87,946	84,022	72,082
Employees	**87,084**	**21,673**	**65,411**	108,135	39,145	68,990	69,294	63,338
Contractors	**51,089**	**31,179**	**19,910**	32,219	13,263	18,956	14,738	8,744
Days lost due to health related absenteeism	**826,475**	**321,104**	**505,371**	817,075	340,408	476,667	478,568	414,424

South Africa – occupational diseases – number of cases reported

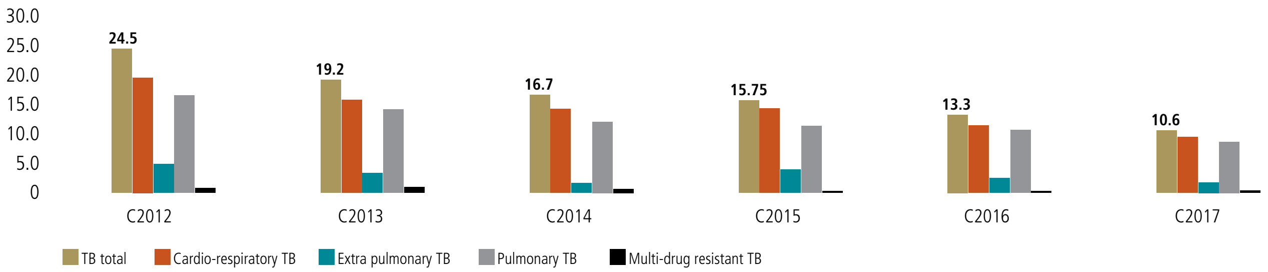
	2017			2016			2015	2014
		SA region			SA region		SA region	SA region
	Total	PGM	Gold	Total	PGM	Gold	Gold	Gold
Silicosis [1]	**261**	**68**	**193**	240	89	151	186	264
Chronic obstructive airways disease [2]	**50**	**13**	**37**	46	16	30	57	45
Noise-induced hearing loss [3]	**193**	**100**	**93**	188	62	126	105	138
Employees and contractors at risk	**61,873**	**24,931**	**36,942**	67,466	26,884	40,582	37,850	36,361

[1] Number of cases reported includes both new and resubmission cases. Exposure to free silica (SiO_2), also known as crystalline quartz, found across a broad range of industries, including mining, cement manufacturing and quarrying, reaches the small airways of the lungs and forms tiny nodules (pulmonary fibroses), resulting in silicosis

[2] Chronic obstructive airways disease (COAD) is characterised by chronically poor airflow, resulting in shortness of breath, coughing and sputum production. Long-term exposure to smoking, and particulates associated with air pollution as well as genetic predisposition, cause an inflammatory response in the lungs, resulting in a narrowing of the small airways and breakdown of lung tissue, known as emphysema or chronic bronchitis

[3] Number of cases reported. Diagnosis of noise-induced hearing loss (NIHL) is made on assessment of the percentage hearing loss from baseline audiograms with NIHL defined as a shift in excess of 10% that has manifest over a prolonged period after repeated exposure to noise levels in excess of 85dBA

Incidence rates of TB (rate per 1,000 employees, including contractors)



Diesel particulate matter at the SA PGM operations

The International Agency for Research on Cancer in June 2012 declared diesel exhaust to be a Group 1 Human carcinogen. Currently in South Africa there are no regulatory limits to control exposure to diesel particulate matter (DPM), the Mine Health and Safety Act (MHSA) does however oblige mining companies to conduct risk assessments and institute mitigation measures for any health and safety risk. All operations (gold and PGM) currently have DPM sampling programmes in place to assess levels of personal exposure, this is compared to a benchmark of 0.2mg/m^3 total carbon as recommended by the Chamber of Mines (this is in preparation for future alignment with the limit in the USA of 0.16 mg/m^3 (TC)). We have adopted the NIOSH 5040 methods for DPM analysis. At the mechanised sections at our PGM operations, lower sulphur diesel is being used (50ppm), and ventilation for dilution and vehicle maintenance are the primary controls, while diesel particulate filtration is also being considered. At the SA gold operations, much older diesel engines are in use and dilution ventilation with diesel engine maintenance are the primary controls.

Impact of social factors on health

A pilot study has been conducted at Beatrix, a high-burden health region, to help identify the social determinants of health (SDH). These include variables such as the circumstances in which people are born, grow up, live, work, the systems in place to deal with illness and a wider set of forces and systems shaping the conditions of daily life. These forces and systems include economic policies, development agendas, social norms, social policies and political systems (World Health Organisation's (WHO's) definition of the SDH). For the study, 93 people were interviewed and the results are currently being validated by the universities of Pretoria and the Witwatersrand. A particular aspect of this study will be to understand employees' perceptions of their own health and health practices, reasons for stress and coping mechanisms as well as participation levels in wellbeing activities.

Sibanye-Stillwater is also investigating stress factors in the work environment that may affect health and treatment retention rates. This will help us create a deeper understanding of employees' circumstances and behaviours which will better help us to develop policies which may effectively address certain SDH.

SAFETY AND HEALTH FOCUS CONTINUED

United Nations Sustainable Development Goals

Work is currently being undertaken to align Sibanye-Stillwater's health roadmap with the United Nations Sustainable Development Goals 2015-2030, and in particular goal 3, good health and well-being (SDGs). Goal 3 relates to universal access to good healthcare and equity in healthcare. Sibanye-Stillwater is well placed to meet the targets related to these goals which are:

- Compulsory employee membership of medical aid schemes which includes cover for spouses (mothers) and child care benefits. This will help to ensure access to universal health care, to reduce both mother and child mortality rates and to provide universal access to sexual and reproductive healthcare, among other health-related services. Through our association with medical aid schemes, we support research into and the development of vaccines for those diseases most affecting our employees and communities. While all employees have the right to join a medical aid scheme, only 50% of the workforce are covered by such schemes
- Our alignment with national HIV/Aids and TB milestones, as well as the work we are doing to meet the United Nations 90-90-90 Aids and TB targets by 2020, will contribute to efforts to end these diseases
- The *My wellness* programme will help indirectly to reduce the incidence of premature death as a result of non-communicable diseases, to combat substance and alcohol abuse, and also to encourage improved, safer behaviour on the roads and so reduce death and injuries as a result of road traffic accidents. This ties in too with our safety value – I am healthy and fit to do my work. Allied to this initiative is our smoking policy aimed at making the workplace safer and healthier
- Our health and safety practices are aligned with the Mine Health and Safety Council's (MHSC) milestones to substantially reduce deaths and illness owing to occupational exposures to substances hazardous to health ,and safety risks
- Our investment in developing the expertise and knowledge of health and wellness personnel
- The early detection, reduction and management of health risks are integral to our health model

The targets set out in these goals are to be met by 2024. We have developed responses to these MHSC milestones and are implementing them in the South African operations. These interventions are continuously improved upon as newer methods and technologies become available.

Health has adopted the SDGs which replace the Millennium development goal of the World Health Organisation (WHO).

HEALTHCARE IN THE US REGION

There are no major work related healthcare concerns among employees in the US region.

Noise in the US region is addressed through the Hearing Conservation Program. Employees whose workplace exposes them to certain levels of noise are enrolled in this program. They are given training about the effects of noise on hearing loss, physiological issues, and PPE and its use and limitations. Employees enrolled in the Hearing Conservation program are given yearly audiograms to monitor any noise induced hearing loss.

DIESEL PARTICULATE MATTER

Emissions from the extensive use of diesel-powered machinery in an underground mining environment, if not properly managed and mitigated, can lead to health hazards for underground mining. We employ various measures to reduce those exposures and ensure we comply fully with the strict limits on diesel particulate matter (DPM) exposure for underground miners set by the US Department of Labor's Mine Safety and Health Administration. Enhancements to ventilation systems and modification of certain mining practices that tend to create concentrations of DPM have played an important role to maintain DPM levels within regulatory limits. So, too, has the choice of fuels for the equipment used underground.

All underground engines have been fitted with diesel particulate filters which studies have shown to be highly effective in reducing particulate matter, carbon monoxide and unburned hydrocarbon emissions from engines fueled by ultra-low sulphur diesel.

All heavy underground equipment is fitted with 100% efficient diesel particulate filters, light equipment below a certain horsepower (such as man-trip trucks) are fitted with 50-55% efficient filters.

INTERNATIONAL DEVELOPMENTS

Within the business community, Sibanye-Stillwater has raised its health profile and publically committed to improving the health of employees internationally by influencing stakeholders through the CMO Network. To this end, Sibanye-Stillwater has committed to addressing four broad issues relating to the workplace health which include antimicrobial resistance, obesity, mobility and mental health. A write-up of a case study on mental health involving Sibanye-Stillwater has been distributed by the CMO Network globally. The case study unpacks our multidisciplinary approach to mental health issues as well as recognising the impact of social determinants on employee wellbeing.

During 2017, much progress was made internationally affirming Sibanye-Stillwater's commitment to global health issues. We participated in work streams leading to the WHO's global ministerial conference on ending TB in the sustainable development era which was signed off by 122 health ministers in Moscow at the end of 2017.The Moscow declaration marks a turning point in the development of a global strategy to address the TB epidemic and lays the foundation for the development of a global strategy to address the TB epidemic and for an accelerated political response in advance of the United Nations High Level Meeting (UN HLM) on TB in 2018.

HEALTH GOVERNANCE

SA REGION

In addition to internal monitoring, Sibanye-Stillwater's health activities are monitored by several external agencies. These include:

- Registrar for Medical Schemes
- Department of Health audits of our primary healthcare, occupational health facilities and pharmacies (all of which are licensed)
- DMR (conducts ad hoc and annual audits of mine health, safety and surveillance systems
- Audits and reviews relating to the Compensation for Occupational Injuries and Diseases Act and the Occupational Diseases in Mines and Works Act, Mine Health and Safety Act and health related acts
- Annual KPMG audits of health statistics and reporting of specific indicators
- Chamber of Mines health policy commitments and reporting

US REGION

- Mine Safety and Health Administration
- Occupations Safety and Health Administration
- KPMG audits of health statistics and reporting of specific indicators
- Montana Department of Labor and Industry – Employment Relations Division
- US Department of Labor – Employee Benefits Security Administration
- US Department of Health and Human Services
- Blue Cross Blue Shield of Montana (a healthcare services company)
- Brokers and actuaries at HUB International – health and welfare plan consultants
- Benefit Plan Committee

FUTURE FOCUS IN 2018

The focus in the SA region will be on:

- Increasing our effectiveness in preventing disease and disability, and on promoting fitness and health
- Continuing alignment with the SDGs
- Improving processes and quality standards towards accreditation with OSHAS 18001 and ISO 45001
- Continued support of the human resources and safety functions
- Enhancing regional synergies with the Department of Health

In the US region an assessment of alignment of the region with the SDGs and goal 3 in particular will established and expanded if required.

SOCIAL UPLIFTMENT AND COMMUNITY DEVELOPMENT

MESSAGE FROM THE CEO

"Ultimately, our aim is to leave a sustainable socio-economic legacy for host communities once mining has ceased."

Neal Froneman – Chief Executive Officer

APPROACH

Stakeholder engagement is key to the delivery of our community development programmes. It enables us to understand the needs and the priorities of our communities.

Our stakeholder engagement framework is aligned with King IV and those United Nations' SDG relating to stakeholder engagement. In engaging with stakeholders and communities in particular, we also bear in mind the ICMM's sustainability framework, which is intended to enhance mining's contribution to society.

GOVERNANCE

Governed by the community development policy, our socio-economic development programmes and corporate social responsibility initiatives are overseen by the Community Development Steering Committee, which reports to the executive-led Sustaining our Social Licence to Operate Committee. This committee provides policy direction, oversight on regulatory compliance and monitors the impact of the company`s socio-economic development programmes. It also makes decisions on regulatory compliance concerning projects with an investment threshold exceeding R100,000. Both of these committees report to the Social and Ethics Committee and to the Safety and Health Committee. Details of local economic development projects are available on our corporate website at www.sibanyestillwater.com

Oversight of stakeholder engagement is assigned to the Social Licence to Operate Committee, as well as to the SLP forums at operations (which include unions and management).

Community engagement is an evolving, dynamic process aimed at establishing partnerships for sharing value created. In our SA region, there has been a notable increase in community activism, aggravated where government has not delivered on its infrastructure and service delivery commitments. As in the SA region, we endeavour to be a trusted partner to host communities in the US region.

The US region has a long history of environmental and social collaboration with local communities and interest groups that is rooted in the Good Neighbours Agreement (GNA), an innovative framework for protecting the natural environment while encouraging responsible economic development. The GNA legally binds Sibanye-Stillwater to certain commitments and holds it to higher standards than federal and state regulations require. These commitments include regular, transparent, and productive interaction with all affected stakeholders, primarily the three local stakeholder organisations—Northern Plains Resource Council, Stillwater Protective Association, and Cottonwood Resource Council.

In addition to the GNA, Montana's Hard Rock Mining Impact Act also binds the US region. Under this law, developers of large-scale hard-rock mines in Montana are required to prepare an impact plan that identifies the local government services and facilities necessary because of the mineral development. In the impact plan, the developer must identify and commit to pay all increased local government capital and net operating costs that will result from the development. The developer may also provide non-financial assistance to the affected local government units. The US region complied with these requirements at the time of initial developments and continues to comply with related ongoing state and local reporting requirements.

See Corporate Governance for further information, in line with the King IV governance guidelines.

SA REGION

In 2017, engagement with communities remained challenging, particularly in the Rustenburg area, largely due to historical expectations from these communities, lack of initial clarity regarding Sibanye-Stillwater's processes and programmes and inadequate dispute resolution mechanisms.

Community protests, a result of unfulfilled promises and unrealistic expectations, were heightened by the broader, external political environment then prevailing in South Africa. The lack of trust between Sibanye-Stillwater and communities was further compounded by the Chamber of Mines' engagement, on behalf of the industry, on the redrafted Mining Charter.

Sibanye-Stillwater has taken steps to improve the effectiveness of its community engagement and to take into account the growing overlap between communities and employees as frequently employees and their families reside in host communities. Previously, community issues and concerns were addressed as they arose. Improved, more regular, structured engagement has enabled improved understanding of communities' concerns and expectations. This has enabled us to prioritise the actions required to address and resolve issues.

We aim to engage effectively with communities and a significant effort has been made to increase our understanding of community concerns, which we prioritise and manage regularly.

A review of our local economic development programmes conducted in early 2017 was aimed at, among other matters, determining whether Sibanye-Stillwater was actually improving lives by assessing the efficacy of our SLPs and related projects. The study highlighted communities' requests for transparent, honest engagement, founded on the principles of free, prior and informed consent (FPIC). This entails communicating with communities so that they are sufficiently informed in good time, and given the opportunity to approve or reject potential projects. This is increasingly becoming best practice in the extractive sector globally and is now being used as the basis for our community engagement.

In the process we have identified four priorities in support of our social closure strategy (refer to Social impact management plans below), namely, opportunities for local procurement and enterprise development, skills development, education, community safety and health.

During 2017, there were operational disruptions in the Free State and in Merafong, Gauteng, around procurement and employment issues. We continued to engage with local structures to ensure visibility of our programmes and processes so as to manage expectations. Furthermore, procurement information sessions were facilitated to enable Sibanye-Stillwater to share its enterprise and supplier development strategy with local businesses. The Community Engagement Forum was used to engage and update local business on various issues such as recruitment, bursaries and community learnerships and local economic development projects.

SOCIAL UPLIFTMENT AND COMMUNITY DEVELOPMENT CONTINUED

There were challenges with local communities relating to perceptions towards Sibanye-Stillwater's approach to illegal mining and its decision to place the Cooke operations on care and maintenance. Community concerns related to the adverse socio-economic impacts of retrenchment at the Cooke operations and of illegal mining. There was resistance to the local provision of housing for protection service personnel employed to combat illegal mining as they had not been recruited locally, especially given the recent retrenchments. In order to address this we continued to engage with concerned stakeholders to provide clarity on the operating challenges that led to the decision to suspend mining operations at Cooke.

ILLEGAL MINING – ITS IMPACT ON COMMUNITIES

In addition to the negative impact on value that illegal mining has on our business, this also affects communities. Illegal mining has social, environmental and health impacts. It compromises the communities – from a health and safety perspective, environmentally and ethically. Illegal miners blasting out tunnels in residential areas, is hazardous and damages houses. There are allegedly human rights abuses, and increased violence and criminalisation. Both communities and employees are compromised, through collusion and coercion. See www.sibanyestillwater.com for additional information on illegal mining and its consequences.

SOCIAL AND LABOUR PLANS

Of the SA gold operations, currently, only Beatrix has an approved SLP for the third cycle, from 2017 to 2021. The SLPs for the other gold operations have been submitted and we await final approval. Certain SLP projects are a continuation and extension of projects from previous SLPs. We are also addressing the backlog of projects from the SLPs for 2012 to 2016.

The current SLP for the Rustenburg operation, which runs from 2016 to 2020, has been submitted and approval is pending. At Kroondal, certain projects committed to, are almost complete. These are an early childhood development centre and a community brick-making plant. Some backlogs in the Kroondal area have been identified and will run these projects concurrently with the Rustenburg SLP.

For the Rustenburg operation, SLP project implementation has begun. Two obstetric and maternity ambulances were delivered to the provincial Department of Health and scholar patrols equipment was provided to 10 schools in the Rustenburg area. Regarding infrastructure projects, scoping and ordering procedures are underway.

In spite of operational restructuring and the Cooke operations being placed on care and maintenance, we will continue to support host communities. As the Cooke and Kloof operations have the same host communities in the Rand West City Local Municipality, they will continue to benefit from Kloof's SLP local economic development programme.

Our local economic development projects

For more information on the projects with which Sibanye-Stillwater is involved, in terms of the SLPs for its gold and PGM operations in South Africa, see *Local economic development projects 2017*, available online at www.sibanyestillwater.com.

SIBANYE COMMUNITY DEVELOPMENT TRUST

A new community trust, aims to enhancing the impact of socio-economic projects on communities by augmenting and optimising our community development programmes. The trust will enable us to facilitate regional development programmes in collaboration with other stakeholders by optimising our SLP projects and other value-adding development initiatives. It will promote the use of local suppliers to unlock, create and share value in the communities.

The trust is being set up by Sibanye-Stillwater, which will be the principal funder. Suppliers and other corporates will also contribute to funding. The trust, to be implemented in 2018, will have six trustees, all of whom will be employees of Sibanye-Stillwater.

CONTRIBUTING TO ALTERNATIVE ECONOMIC ACTIVITIES

Sibanye-Stillwater is committed to developing host communities and those in labour-sending areas. Our particular focus is to leverage land-holdings to create jobs, promote black economic empowerment and facilitate comprehensive local socio-economic development.

We have reviewed the impact and sustainability of the various projects implemented to date, and acknowledge the difficulties encountered, from which we have learnt. Among our successes is the "You reap what you sow" agricultural project, a co-operative that has functioned independently since February 2017, secured various markets and has repositioned itself in the market. The co-operative mentors and supports other agricultural co-operatives and offers practical experience. Market days are held where the farmers sell their produce. This project, which is nearing completion with funding for the first extended closeout plan having been paid in December 2017, has helped to establish beneficial relationships with the community and sustainable livelihoods.

Our Aredirisaneng agricultural co-operative was less successful. The land initially allocated to this project is infested with weeds, which will take around 18 months to eradicate. The project is being reassessed for turnaround and the cooperative will be incorporated into our outgrower model for phase 2.

Sibanye-Stillwater's vision is to improve the welfare of local communities by aiding the establishment of an agricultural and associated agricultural input and processing cluster, as a sustainable alternative economic activity to mining.

The project is being viewed holistically and proposals are being sought that ensure both high value, financially profitable agriculture production, as well as increased food security and opportunities for youth. The portfolio of projects that will be considered include school gardens, household gardens, small and larger-scale farms and out-growers. The aim is to make agriculture a vital part of the community and to engender a "culture of the land" in the area.

Sibanye-Stillwater is acutely aware of the need to establish appropriate institutions to co-ordinate, support and sustain the process to develop and agri-industrial cluster. One such institution would have capacity to prepare land for agricultural development as well as to invest in the selected agricultural enterprises.

Sibanye-Stillwater is collaborating with a government task team convened under the auspices of the Mining Phakisa, made up of, inter alia, the Presidency (Department of Planning Monitoring and Evaluation), National Treasury, Department of Trade and Industry, Department of Agriculture Forestry and Fisheries, the Public Investment Corporation, relevant provincial departments and local authorities, and agricultural experts to advise on and facilitate agricultural skills development and the establishment of this cluster. While Sibanye-Stillwater will facilitate this project and provide the land and water on a negotiated basis, the project will be stakeholder-driven. Sibanye-Stillwater has identified 15,000 hectares of land within the West Rand District Municipality which could be made available for this project. The Public Investment Corporation, together with the Land Bank, Industrial Development Corporation and the Development Bank of South Africa are collaborating around how a specialised funding structure can be established to support the project.

AGRICULTURAL ALLIANCE PROJECT

In 2013, Sibanye-Stillwater and Gold Fields entered into a collaborative partnership to implement community-based projects within Rand West City Municipality. The initial phase, completed in 2015, was limited in geographical area. The intention had been to expand into the rest of the region in subsequent phases of implementation with a clear focus on job creation. The inaugural pilot project, an agricultural project, would have seen community members benefit from capacity building and being empowered.

This project was an opportunity for a public-private partnership to unlock value and co-operate at regulatory level. Given that the first phase of the project involved establishing a fully representative community engagement platform, it enabled communication that promoted understanding of community needs, expectations and socio-economic dynamics. In addition, local co-operatives were set up to provide various services to the community.

SOCIAL UPLIFTMENT AND COMMUNITY DEVELOPMENT CONTINUED

Phase 2 of the alliance project was intended to sustain local co-operatives and agricultural activities in particular.

The success of this project depends on community co-operation and buy-in. New agricultural ventures have been proposed with government, through Mining Phakisa, included in project planning and implementation. The Department of Agriculture will provide advice and mentoring support. Approval of the new project is being awaited. Other stakeholders involved in this project are the Land Bank and Presidency office through Mining Phakisa and the PIC.

SOCIAL IMPACT MANAGEMENT PLANS

It is very important that social impact management plans be developed for all Sibanye-Stillwater operations. These plans should be concurrent with and integrated into the SLPs. Following the Section 189 process at the Cooke operations, work began on development of a social impact management plan. These plans, to be used as guidelines for each operation, involve managing and mitigating the effects of mine closures on communities. They will take into account likely social impacts of closure such as unemployment, limited job mobility owing to a lack of skills diversity among retrenched employees, a decline in economic activity, despair, alcohol and substance abuse, depression and suicide, among others.

To mitigate these impacts, these plans will focus on sustainable socio-economic and local economic development. They will promote employment in alternative industries, alternative skills training, psychological counselling and continued healthcare for those on chronic medication. In developing these plans, we will engage with other stakeholders concerned such as the departments of Labour and Mineral Resources, municipalities and other mining houses.

The Cooke social impact management plan provides details of training and procurement initiatives undertaken to assist retrenched employees to find alternative employment. Similar plans are to be drawn up for our other operations, the first of which will be that for Kroondal.

Socio-economic development expenditure – South Africa (R million)

	2017			2016			2015	2014	2013
	Total SA region	Gold	PGM	Group	Gold	PGM	Gold	Gold	Gold
Local economic development	**24**	**13**	**11**	59	47	12	27	24	17
Training	**532**	**340**	**193**	393	321	72	384	353	316
Infrastructure	**586**	**425**	**161**	181	181	0	197	649	699
Health	**3**	**3**	**0**	4	4	0	6	5	5
Enterprise development	**1**	**0.5**	**0.5**	0	0	0	0	3	2
Education	**3**	**3**	**0**	4	4	0	62	10	1
Sport, conservation and environment	**0**	**0**	**0**	0.4	0.4	0	1	10	9
Donations	**10**	**8**	**2**	15	12	3	14	1	1
Total	**1,159**	**792**	**367**	**656**	**569**	**87**	**691**	**1,055**	**1,050**

US REGION

Community engagement in this region is conducted largely under the auspices of the Good Neighbour Agreement (GNA). This agreement is unique within the mining industry and provides an innovative framework for protecting the natural environment while encouraging responsible economic development. Parties to the GNA are the US operations and three local stakeholder organisations. This agreement provides a forum for communities to communicate on how they are affected by mining operations and for the mines to communicate on planned operational changes and how these may or may not affect communities. This agreement relates to the operations' impact on the environment and employee concerns as well as the impact on the local economy.

The US region sponsors community and employee dependant scholarship programmes. In May 2017 (Spring Semester), the Community Scholarship Programme funded 19 individual high school seniors at a cost of US$19,000 and for the Fall Semester 2017, 71 recipients were sponsored at a cost of US$35,500. In addition, 16 employee dependent high school seniors were awarded a US$1,000 scholarship each in May 2017.

Major community concerns in the US region are sustainable employment, responsible economic development, which includes environmental protection, and traffic management. Initial community concerns following the acquisition by the then Sibanye of the US operations, centred mainly around what, if any, changes would be made. They were assured that it was "business as usual" and no significant changes to the operations or operational strategy/management were being proposed.

Community interaction includes participation in various community groups, fund-raising events, environmental organisations, annual community celebrations, local governmental meetings, and local donations. These community groups and events include Fishtail Family Fun Days, Boulder River Watershed Association, Billings Clinic Foundation, Stillwater Protective Association, Red Lodge Fun Run, Stillwater County Commissioners, Boys & Girls Club, Sweet Grass County Chamber of Commerce, and many others.

The main philanthropic/social activities and related expenditure was as follows:

Community projects	(31%)	US$60,050
Youth activities	(27%)	US$53,125
Education	(19%)	US$37,760
Emergency services	(15%)	US$28,750
Cultural	(8%)	US$15,100
Total		**US$194,785***

** For the period May – December 2017*

The Stillwater and East boulder mines have similar community issues, although different communities are affected by their operations. These communities are Stillwater: Nye, Fishtail, Absarokee, Columbus; East Boulder: Big Timber, Livingston and Reedpoint. These operations make a significant contribution to their local communities. Sibanye-Stillwater provides in excess of 50% of the taxable incomes for Stillwater County, Sweet Grass County, and the Town of Columbus – total tax payments in 2017 were US$16.6 million. The employment base would be significantly impacted, as would local suppliers such as gas stations, grocery stores and department stores. In payroll alone, Sibanye-Stillwater infuses more than US$100 million annually into the South-Central Montana economy.

PROCUREMENT AND ENTERPRISE DEVELOPMENT – PERFORMANCE 2017

In 2017, a rigorous programme was implemented to consolidate the supply chains and procurement for all managed Sibanye-Stillwater operations, gold and PGM, in the SA region so as to optimise and rationalise procurement and to ensure that we achieve and benefit from economies of scale. This programme involved:

- consolidating and standardising contracts
- improving the effectiveness of transaction processes
- avoiding and reducing costs

Project 180, which involved converting all supply-chain contracts to the SAP system and a key aspect of this programme, was implemented in the South Africa region to enhance and align systems to support the supply chain and improve efficiencies. In addition, a strategic commodity team and an engineering and processing team have been created to assist in optimising contracts so as to reduce costs. The overall aim is to improve efficiencies within the supply chain.

SOCIAL UPLIFTMENT AND COMMUNITY DEVELOPMENT CONTINUED

OWNER MAINTENANCE OF EQUIPMENT AND MACHINES IN SA REGION

Sibanye-Stillwater owns a large number of Sandvik and Atlas Copco equipment and machinery. Currently a full-time employee team maintains the Sandvik fleet. The Atlas Copco fleet has not yet moved to owner maintenance and is being maintained still by Atlas Copco under contract. "Owner maintenance" refers to the maintenance of machinery by Sibanye-Stillwater rather than the original equipment manufacturer (OEM).

The following underground equipment is on the owner-maintenance programme:

- Low-profile LHDs
- Low-profile drill rigs and
- Low-profile bolters

It is estimated that potential savings will amount to R400 million over a four-year period, following the move to owner-maintenance of the Sandvik fleet. This fleet was transferred to the owner maintenance programme on 1 August 2017 and by the end of December 2017, total savings of R87.7 million had been realised. This included savings of R61.8 million on capital expenditure and R25.8 million on operational expenditure.

The objective of this programme is to:

- Extend/prolong the operating lives of machines and so, reduce capital replacement costs, the main driver of this programme
- Reduce/limit machinery maintenance costs
- Improve efficiencies and ensure sustained cost savings.

This initiative was undertaken in partnership with the operations and supports efforts to ensure that safety, cost controls, grade and volume targets are met. This is achieved through proper maintenance, resulting in good availability of machines that are fit for purpose and safe to operate, thereby enabling delivery on production targets. This owner maintenance initiative brings the maintenance and production teams together to achieve a common goal.

Procurement also has a role to play in promoting transformation through socio-economic development and enterprise development. Localised procurement is being closely monitored in order to address ongoing community concerns that they are not being granted procurement contracts.

In engaging with communities, Sibanye-Stillwater has come to understand the desperate need for enterprise development and procurement opportunities on the part of communities. A team has been appointed specifically to address community legacy procurement issues, to assist and mentor suppliers and to facilitate understanding of the procurement process.

Enterprise development centres (EDC) are in the pipeline to be set up and remain a continued key focus area for 2018. In Theunisseun we have a room at the Masilonyana Municipality and we are using Virginia property office as a temporary EDC. We are also in the process of finalising an EDC in the middle of Rustenburg. The next region of focus will be in the Witwatersrand to support the Driefontein, Kloof and Cooke mines.

PROCUREMENT 2017

Procurement on goods, services and capital totalled R22.2 billion in 2017 in the SA region and R2.45 billion (US$184.3 million) in the US region.

In the SA region, R10.6 billion (2016: R7.6 billion) of our discretionary procurement was with BEE entities in South Africa – R5.7 billion (2016: R4.9 billion) of which was spent by the gold operations and R4.9 billion (2016: R2.7 billion) by the SA PGM* operations. This was equivalent to 79% (2016: 77%) of total discretionary procurement spend in the region.

** Kroondal is in a joint venture with Anglo American Platinum and covers 50% of the costs, R1.272 billion for 2017*

In the US region, approximately R851 million (US$63.9 million) was spent on the procurement of goods and services within the state of Montana, equivalent to 34.65% of total procurement in the US region.

SA region: Discretionary BEE procurement[1] in 2017

	Capital goods target: 40%	Consumables target: 50%	Services target: 70%
Gold operations			
Beatrix	72%	82%	65%
Cooke 4	69%	54%	83%
Cooke 1, 2 and 3	72%	58%	66%
Driefontein	74%	78%	77%
Kloof	86%	83%	72%
PGM operations			
Kroondal	87%	91%	86%
Rustenburg	75%	71%	79%
Total SA region	**81%**	**78%**	**77%**

[1] *The Mining Charter's procurement targets apply to procurement that "excludes non-discretionary procurement expenditure", i.e. expenditure that cannot be influenced by a mining company, such as procurement from the public sector and state enterprises. The procurement targets thus apply to discretionary expenditure over which Sibanye-Stillwater has influence*

GOVERNANCE

Supply chain governance is critical, and especially so in relation to contracts with community members. Good governance methodology protects both Sibanye-Stillwater and the community. A tender committee meets monthly – weekly if necessary – depending on the value of a contract to be agreed. The DMR conducts annual audit reviews to monitor performance on BEE procurement targets.

Internally, procurement and the supply chain function reports to the Social Sustainable Licence to Operate Committee and is subject to internal and external audits of specific indicators and controls.

The supply chain function in the US region reports administratively to the Head of Finance, US region, and is subject to internal control as designed and documented by the US region in its critical process documentation for the purchasing and payables cycle.

FUTURE FOCUS

Roll out of the enterprise development policy, in the SA region:

Sibanye-Stillwater believes in the significant role of the SMME sector in our economy, and are committed to supporting, developing and making business opportunities available to transformed companies.

Sibanye-Stillwater is committed to the improvement of the quality of life in our communities and supporting sustainable development initiatives in partnership with government, business, civil society and the communities concerned.

The purpose of this policy is to ensure that:

- A robust, consistent and transparent approach is applied to enterprise and supplier development (ESD)
- Sibanye-Stillwater's commercial risk associated with ESD is actively managed
- New and compliant suppliers are identified and developed
- Existing SMMEs are developed to enable them to become registered suppliers
- Existing suppliers who do not comply with Sibanye-Stillwater's enterprise development policy and EDC requirements are assisted with compliance

In all enterprise development transactions, meeting Sibanye-Stillwater's requirements in terms of pricing, quality and risk of the goods, works or services concerned, is non-negotiable.

All transactions are subject to Sibanye-Stillwater's Delegation of Authority Policy and must comply with all relevant legislation.

Roll out of Phakamani in the SA region:

Phakamani is an external organisation that was engaged on a trial basis in two areas for five months during 2017 to provide financial and other assistance to emerging SMMEs which are contracted to provide products or services to Sibanye-Stillwater. Phakamani provides and administers low-interest working capital and term loans to the SMMEs, as well as business and technical support, to increase the probability of success for these new SMMEs and ensure their sustainability.

The trial was a success, with 17 of our suppliers receiving financial assistance in 2017. Sibanye-Stillwater is to roll out the Phakamani programme across the entire SA region in 2018, making the service available to all community suppliers and SMMEs.

MINIMISING THE ENVIRONMENTAL IMPACT

MESSAGE FROM THE CEO

"As a responsible corporate citizen, we aim to minimise our impact on the environment and support economic activity once mining has ceased."

Neal Froneman – Chief Executive Officer

APPROACH TO ENVIRONMENTAL MANAGEMENT

At Sibanye-Stillwater we manage, limit and attempt to mitigate any environmental impacts caused by our mining activities. We apply the duty of care principle as outlined in national environmental legislation, while striving to maintain the highest environmental standards. We comply with all relevant legislation governing the use of resources, most notably water, responsible waste management, conservation of biodiversity, and post-mining land use for socio-economic closure, both in southern Africa and in the United States.

The Sibanye-Stillwater Environmental Policy was aligned with the Sibanye-Stillwater operating model during 2017. A new environmental vision, Environmental Vision 2020, was crafted and has been implemented for the SA region in 2017, taking into account the structural and organisational changes following the acquisition of the SA PGM assets and their integration within the company. Internal organisational restructuring included amalgamating the previously-separate environmental and water management departments into one, integrated environmental function for the SA region.

The new Environmental Vision 2020 covers all the Sibanye-Stillwater mining operations across different jurisdictions and supports superior value creation for all stakeholders. Components of the vision, where applicable, will be applied to the US region. This vision, and the related policy, aim to improve lives though responsible environmental management practices and include, inter alia, verifiable compliance, risk management and environmental and water footprint management in anticipation of post mining socio-economic closure.

APPROACH TO ENVIRONMENTAL MANAGEMENT IN THE UNITED STATES REGION

The US region has a long history of environmental and social collaboration with local communities and interest groups that is rooted in the Good Neighbours Agreement (GNA), which is an innovative framework for protecting the natural environment while encouraging responsible economic development. The GNA legally binds the Company to certain commitments and holds the Company to higher standards than federal and state regulations require. These commitments include regular, transparent, and productive interaction with all affected stakeholders, primarily the three local stakeholder organisations—Northern Plains Resource Council, Stillwater Protective Association, and Cottonwood Resource Council.

These organisations generally speak for local residents who live in the areas immediately adjacent to the mines. Representatives of the organisations meet regularly with the Company to discuss operations, future planning, and other issues, including direct impacts on local communities, such as traffic volumes. This framework provides a mechanism for the general public to voice concerns and to become informed on our operations. Under this framework, the US region has generally been able to achieve a greater level of certainty related to external risks and has generally avoided certain litigation that is more common among our mining peers in the region.

PERFORMANCE 2017

The Environmental focus during the year has been characterised by the development of action plans following the alignment of the respective SA gold and SA PGM teams around a common purpose and vision. Delivery of the strategic objectives will only be effective if the purpose and vision are translated into useable operational plans supported by enabling technologies. This has remained our focus, creating the platform for execution and delivery in 2018. During the year 25 key environmental procedures between our SA gold and SA PGM operations were revised and merged. This together with training is an important step to ensuring a common approach to the application of environmental standards across the Group.

Environmental awareness training is an integral aspect of communication with employees who are encouraged to abide by and deliver on our various water and environmental management procedures. Regular environmental communication sessions are held at the operations to emphasise that responsible environmental management is the duty of each Sibanye-Stillwater employee. The Sibanye-Stillwater leadership and line management commit to the implementation of the environmental management policies and procedures, through effective and visible felt leadership on environmental management issues. The environmental management sessions also highlight the environmental impact of mining activities as well as impressing on employees the importance of compliance with environmental legislation pertaining to various environmental aspects such as water, air and waste.

This integrated and aligned approach has also seen significant progress in the improvement of overall compliance as well as water conservation and demand management initiatives.

The environmental team has been proactive in reviewing and commenting on legislative policy and regulatory changes including financial provisions for closure and Carbon tax, through the Chamber of Mines. These regulatory changes have been identified as a risk to our business as discussed below. The current action plans, developed as part of the vision alignment, have been developed to mitigate these risks.

ENVIRONMENTAL RISKS

The most significant environmental risks have been integrated into Sibanye-Stillwater's enterprise-wide risk management process. These top risks and associated mitigation action plans and strategies in the SA region are as follows:

Risk	Mitigating action plans and strategies
Environmental impact on water catchment areas	**Context:** Sibanye-Stillwater conducts mining operations in accordance with mining legislation including the National Water Act and our water use licence (WUL). As part of our daily operations Sibanye-Stillwater has permitted discharges into a number of catchments. As responsible corporate citizens we are duty bound to understand the impact of our mining on the various catchment areas: • Ongoing and comprehensive water monitoring programmes (our sampling and monitoring programme has 865 sampling points – Au-435; Pt-430) and we report regularly on the results, as required by the Department of Water and Sanitation (DWS) • A dedicated compliance team focuses solely on ensuring that we understand any compliance gaps, and put in place action plans to address any deviations from the acceptable limits prescribed in the WUL • Increased use of technology and systems to pro-actively assist us with compliance management. PIVOT is the Sibanye-Stillwater incident management system • Participation and involvement in catchment forums, as constituted by the DWS for the different catchments. These forums are mostly attended by all DWS sub-directorates, DMR, National Nuclear Regulator (NNR), Gauteng Department of Agriculture and Rural Development (GDARD), Department of Environmental Affairs (DEA) as well as major water users, NGOs, local and district municipalities, Rand Water and any other affected or interested party
Compliance with permits and authorisations	**Context:** Sibanye-Stillwater's operations in the SA region are governed by three acts – these are the MPRDA, the National Environmental Management Act 107 of 1998 (NEMA) and the National Water Act of 1998 (NWA). Licences and authorisations are granted with a myriad of stringent conditions. We operate in a dynamic environment and must comply with all conditions in order to retain our licence to operate. Applications for amendments as a result of changes in mining activities take time to authorise. • Application are made for amendments to Environmental Authorisations (EA), Environmental Management Programmes (EMPs), Atmospheric Emissions Licences (AELs), WULs, etc. to authorise listed and other activities, as well as to re-negotiate more realistic and achievable licence conditions • Scheduled internal inspections and reports constantly gauge compliance levels • Occurrence management procedures in place to log, manage, report on and action environmental occurrences (including non-conformances, incidents and complaints) • Scheduled internal and external WUL and EMP audits to assess compliance and rectify where needed • Extensive and comprehensive environmental monitoring to measure compliance levels and benchmark against permit conditions

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

Risk	Mitigating action plans and strategies
Impact of new and emerging legislation (where the 'voice' of industry has had little influence) on Sibanye-Stillwater's operations and long-term sustainability	**Context:** Environmental legislation in South Africa is constantly evolving, and complying may have material impacts on how Sibanye-Stillwater conducts its business, for example, the revised November 2017 NEMA Regulations on financial provisions (FP) for rehabilitation and closure. The main points of contention with the revised FP Regulations are: • The proposed inclusion of 15% VAT on financial provisions for closure • The proposed inclusion of CPI+2% for the same financial provisions • The onerous auditing and reporting requirements In order to influence the context and content of the proposed revised FP Regulations, the following are being implemented: • Pro-active advocacy and engagement with Government when drafting new legislation, to actively influence the final outcomes, which include litigation options • The Chamber of Mines, in close cooperation with Business Unity South Africa (BUSA), is spearheading the mining industry's comments on and influence into the draft FP Regulations, on behalf of and with inputs from the respective mining companies
Reliance on municipal water and the significant costs to the operations	**Context:** Sibanye-Stillwater purchases municipal drinking water at significant expense. Sibanye-Stillwater purchased 18,284Ml of water at a total cost of R230.9 million for 2017. To address this: • Sibanye-Stillwater has embarked upon a municipal water independence strategy, assuming that our water use licence applications (WULAs) will be successful where needed • The construction of water treatment facilities to substitute municipal potable water supply, with long term supply to municipalities as a socially sustainable closure strategy is being investigated • Sibanye-Stillwater is implementing initiatives to reduce consumption and cost including: – Increasing treatment capacity of Driefontein Water Treatment facility to achieve monthly saving of R1.2 million by end of Q3 2018 – Engagement with water supply authorities supplying Kloof 3 shaft to renegotiate tariffs for monthly cost saving of R337,000 by Q4 2018 – Blending Facility at Kloof 10 Shaft to substitute localised potable water consumption with 30%, assuming current water quality does not deteriorate – Centralised Kloof Water Treatment Facility to supply full consumption of 13.98ML/d at 50% of current supply cost of R14.14m^3 from municipality – Investigate possibility of borehole supply to Cooke plant to substitute current potable water cost of approximately R550,000 a month – All initiatives are subject to timeous approvals from necessary regulatory bodies

Particular environmental risks in the US region include water and air quality management which are discussed in the relevant sections below.

ENVIRONMENTAL COMPLIANCE

ENVIRONMENTAL COMPLIANCE

Significant progress was made in delivering on our environmental commitments in the past year in the SA region. In addition to the Environmental Vision 2020 and strategy developed early in 2017, headway was made on the development of the multi-disciplinary environmental incident management system which will be rolled out to the SA region during 2018.

While all environmental incidents are considered serious, Sibanye-Stillwater publicly reports on level 3 (short-term impact), level 4 (medium-term impact) and level 5 (long-term impact) environmental incidents.

All incidents are recorded, investigated and classified with steps taken to mitigate potential impacts and prevent any reoccurrence. Incidents are classified, monitored and reported internally on a monthly basis. A concerted effort was made to standardise and align the definitions and classification of environmental incidents across the SA gold and SA PGM operations in the SA region, and more recently in the US region. In the SA region, this has resulted in a more effective approach to the closing out of incidents and correctly reporting to the regulators as per the WUL and GN704 (regulations promulgated in terms of the National Water Act No 36 of 1998) requirements.

In 2017, in the SA region, no level 4 or 5 incidents were recorded, with a respectable 37% decrease in the number of level 3 incidents. Twelve level 3 incidents were reported during the year, of which nine were reported at the gold operations and three at the SA PGM operations. All but two of these incidents have been closed out as they required long lead time action.

The decline in incidents reported followed the introduction of a more pro-active approach to identify potential hotspots and the causes of such incidents. In addition to in-depth root cause analyses, there was detailed planning on implementing the most effective corrective and preventative action plans. In particular, operations were advised on what preventative measures were to be implemented to prevent spillages or a level 2 incident from becoming a level 3. This led to a more proactive approach to water balance management, including real-time monitoring of dam levels and spillage predictions, taking into account short-and medium-term weather forecasts, cleaning of silted dams during the dry season to create more storage capacity and improving return pump capacities. Constant liaison with and advice to the operations was crucial in achieving this success, as well as their willingness and ability to implement these measures.

In the US region, a total of six level 3 and higher environmental incidents are reported of which three were carried over from previous years as reoccurring events. Two of the three new incidents recorded in 2017 were subsequently closed out while the remaining event will be closed later this year.

Above average rainfall in the SA region during the year resulted in spillages mostly at the return water dams. These spillages accounted for nine of the twelve level 3 incidents. Following a root cause analysis, a proactive approach to water balance management, including real-time monitoring of dam levels, cleaning of silted dams during the dry season to create more storage capacity and improving return pump capacities was instituted. The remaining level 3 incidents relate to cattle mortalities, as a result of a slurry spill due to pipe vandalism and mine water spills from various sources.

Twenty-two major non-conformance notices were issued during 2017, largely related to exceedances of the dust fall out limits as measured by our dust monitoring programmes. The dust exceedances largely relate to the increase in transportation of surface material for retreatment and footprint rehabilitation (largely at the SA PGM operations). An air quality assessment has begun to identify high risk areas and activities as well as to recommend effective dust abatement measures.

A further two major non-conformance notices were issued for water quality compliance at Cooke, details of which follow in Water quality compliance.

For further detail on these incidents, refer to the Environmental incidents summary on the website at www.sibanyestillwater.com

DUST (SA REGION)

Dust management forms an integral part of the Sibanye-Stillwater environmental policy statement where the company commits to proactive air quality management using nationally prescribed methodologies. Control of dust from tailings storage facilities (TSFs) is a key focus as TSFs have been identified as a significant contributor of PM10 emissions (particulate matter with a size diameter of 10 micrometers or less. Dust particles of this size are small enough to get into the lungs). Particular attention is paid to those tailings facilities where the volume of wind-borne dust has reached higher-than-normal levels during the year.

Six dust complaints were received during 2017 compared with three dust complaints in 2016. Contributing factors to the higher number of complaints in 2017 is the increase in surface activities and the comparatively hotter and drier weather conditions that experienced during 2017. All dust complaints were recorded and investigated. Effective dust suppression measures were implemented to reduce the observed dust levels.

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

AIR QUALITY COMPLIANCE

Sibanye-Stillwater (SA region) has a requirement to standardise air quality monitoring across all operations.

Following comprehensive internal and external environmental compliance monitoring audits, one instance of air quality non-compliance with Sibanye-Stillwater's air emissions protocols was observed. An internal audit inspection of the Cooke metallurgical gold plant found that the Cooke plant kilns and smelter had been operating without an approved atmospheric emissions licence. An action plan was immediately instituted and the authorities notified. An application for a provisional atmospheric emissions licence has been lodged.

All operations holding atmospheric emissions licences completed the annual reporting of emissions on the National Atmospheric Emissions Inventory System, as required, by 31 March 2017. In addition, the gold operations submitted reports on the National Atmospheric Emissions Inventory System under the "mines and quarries category". The registrations of the PGM operations on the National Atmospheric Emissions Inventory was completed in 2017 and reporting of 2017 emissions is scheduled to be completed by 31 March 2018. Registration and reporting on emissions from the Cooke plant will also be completed by 31 March 2018. New regulations were promulgated in April 2017 regarding registration and reporting on greenhouse gasses at company-level. To this effect, Sibanye-Stillwater has submitted its application for registration as a data provider. The first report will be completed and submitted by 31 March 2018.

In the US region, environmental compliance is aimed at reducing environmental impacts by implementing compliance plans and innovative technologies that allow operation well within regulatory requirements. Progress continues on environmental support of mine expansion in the US region.

WATER QUALITY COMPLIANCE

Sibanye-Stillwater's vision for water management is to create value for all stakeholders through the optimal management of the water resource and our water infrastructure, ensuring water safety, security and regulatory compliance by the effective use of knowledge and innovative technology.

During 2017, procedures were developed to drive the water management vision. In addition, all water use licences were reviewed to identify the need for amendments to achieve total compliance.

Overall water quality compliance with our licenced mine water discharges was good, with the exception of our Cooke operations where compliance with the discharge limits remains a challenge. Action plans have been put in place to achieve optimal pH control at the underground settlers to ensure effective and consistent metal removal. During 2017, a new water use licence (WUL) application for the Cooke operations was submitted requesting more realistic and achievable WUL limits. The proposed revision to the licence conditions will better reflect the water quality complexities of the Cooke discharge basin. The request for a revised WUL follows the success at Driefontein where there has been improved water quality limit compliance, as a result of an amendment to the WUL. Water quality discharge compliance into the Wonderfonteinspruit improved from 70.3% to 95.5%. The Cooke WUL is expected to be issued in 2018.

The waste water treatment works also achieved good compliance, however nutrient and bacteriological compliance with unrealistic WUL limits remains a challenge. Sibanye-Stillwater has applied to amend the erroneous WUL limits and has instituted more stringent operational controls and monitoring to achieve better compliance.

All the operations in the SA region have valid WUL or old order water use authorisations.

LAND MANAGEMENT, REHABILITATION AND CLOSURE

LAND MANAGEMENT

To mitigate impacts that may arise from mining operations, Sibanye-Stillwater's activities are monitored constantly in terms of EMPs, approved by the DMR. In the interests of legal requirements, sustainable development, land and waste management, alien vegetation initiatives and Biodiversity Action Plans (BAPs) will be developed for all our operations.

BAPs have been completed for the PGM, Kloof and Driefontein operations. Biodiversity assessments and BAPs for the remaining operations will be completed during 2018.

Currently alien and invasive vegetation is removed through a local economic development projects to ensure continuous compliance with the EMPs.

Heritage assessments are conducted for the development of all EMPs. The assessments are then conducted on an ad hoc basis should a special need be identified including, demolition, closure or new project development.

No protected areas were identified within the South African operations as per the Protected Areas Act (No. 57 of 2003), however, ecologically important areas such as ridges, wetlands and cave systems have been identified and will be managed as required.

WASTE MANAGEMENT

The enforcement of sound waste management practices including monthly waste management meetings with waste contractors as well as visible felt leadership sessions on waste management opportunities continued to see improvements at our SA operations. Large quantities of scrap metal, old and obsolete pipes, unused metalliferous equipment as well as old timber was removed and disposed of by the salvage and reclamation teams, which contributed to on-site waste reduction initiatives and house-keeping practices. There was also a focus on the correct storage of hazardous waste within the appropriately bunded areas at the various operations. A draft group-wide hazardous waste management procedure has been developed and will be signed off for implementation in 2018. The income from recycling scrap steel in 2017 increased by 27.4% compared to 2016. The total domestic waste volume to landfill reduced significantly with the Kroondal realising a 28.6% reduction.

Waste management (Mt)

	2017				2016			2015	2014	2013
	Group	United States [1]	SA region		Group	SA region		SA region	SA region	SA region
		PGM	PGM	Gold		PGM [3]	Gold	Gold	Gold	Gold
Tailings deposited TSFs	**32.70**	**0.39**	**17.05**	**15.26**	26.16	10.7	15.46	14.31	15.73	13.11
Tailings into pits	**3.27**	**0**	**0**	**3.27**	4.02	0	4.02	4.20	3.79	–
Waste rock	**3.39**	**0.87**	**[1]2.52**	**0**	2.40	2.22	0.18	7.14	0.60	0.76
Recycled waste [2]	**11.45**	**0**	**0**	**11.45**	12.09	0	12.09	11.34	11.96	13.29
Total mining waste	**39.36**	**1.260**	**19.57**	**18.53**	32.61	12.92	19.69	25.65	20.12	13.87

[1] *For the period May to December 2017*
[2] *Gold-bearing material such as waste rock dumps are retreated at the plant*
[3] *The 2016 SA PGM operations represent nine months for Kroondal and two months from the Rustenburg operations*

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

WEST RAND TAILINGS RETREATMENT PROJECT

Sibanye-Stillwater announced on 22 November 2017 that it had entered into various agreements with DRDGOLD in terms of which, Sibanye-Stillwater will exchange selected surface gold processing assets and TSF for c.265 million newly issued DRDGOLD shares. Once the transaction has been concluded, Sibanye-Stillwater will hold 38% of DRDGOLD's issued share capital.

The transaction will allow Sibanye-Stillwater to immediately crystallise c.R1.3 billion in value from the plant infrastructure and TSFs that form part of the West Rand Tailings Retreatment Project (WRTRP), while retaining upside to future growth in DRDGOLD. Partnering with DRDGOLD to further develop the WRTRP presents an opportunity to grow an international, industry-leading, surface retreatment business. Sibanye-Stillwater's stakeholders in the region also stand to benefit from the future development of this long-life surface reclamation project. The DRDGOLD transaction is expected to close after the end of March 2018

WASTE MANAGEMENT IN THE US REGION

Several strategies are employed to reduce the amount of waste generated by the US operations. For example, at the Metallurgical Complex's smelter, solution from the scrubber that is used to reduce air emissions is treated in a process that converts the SO^2 to synthetic gypsum, which is then sold for use in agricultural operations. While, slag produced from the smelting process is returned to the mines for reprocessing rather than stockpiled at the Complex. Whereas, at the mines, the volume of surface tailings is minimised with a substantial portion of tailings being returned to the mine for use underground as backfill and for stabilisation purposes. About half of the US region's tailings are generally used as backfill each year.

The Group also minimises hazardous waste generation across US operations by optimising purchasing decisions on the front end. A committee comprised of environmental, safety, and operational employees screen new products being considered for use at Company facilities with the goal of identifying and avoiding products harmful to human health or the environment and instead purchasing safer, environmentally friendly alternatives. This process has reduced the volume of hazardous materials purchased and stocked on site.

CLOSURE PLANNING AND LIABILITY ASSESSMENT

The legislative context for closure and rehabilitation provisioning changed in November 2015, with the introduction of Regulation 1147 (R1147), which effectively replaced the MPRDA regulations and brought the entire regime of financial provisioning for closure under the auspices of the National Environmental Management Act (NEMA, 1998) as part of an overhaul of NEMA legislation. Owing to pressure and resistance from industry at large, implementation of R1147 was suspended in October 2016 (for 39 months from the date of promulgation, until February 2019). Draft regulations were finally published on 10 October 2017, effectively replacing R1147 and subsequent amendments. The draft regulations will significantly influence the quantum of Sibanye-Stillwater's closure provisions with the first-time inclusion of residual impacts (a significant step-change from the MPRDA), the inclusion of both a pre VAT (CPI+2% and 15% VAT) and onerous auditing and reporting requirements. Despite the parallel process to influence and change the revised draft FP regulations to more favourable terms, Sibanye-Stillwater has begun aligning processes to meet the designated target date of February 2019.

PLANNING FOR MINE CLOSURE IN THE SA REGION

Ahead of the planned implementation of the Financial Provisioning Regulations in February 2019, much preparatory work has been done to clarify, confirm and align definitions for planning around mine closures, closure methodologies and the calculation of liability provisions. The aim is to compile a sustainable mine closure solution, the end objective of which is a sustainable socio-economic closure solution with due consideration of the water management cost of mine closure.

Closure of Ezulwini

Ezulwini Mining Company (EMC), a wholly-owned subsidiary of Sibanye-Stillwater, operates the Ezulwini Mine (alternatively known as Cooke 4 Shaft) on the West Rand where active mining has ceased. The pumping operation, necessary to remove 68ML/day of fissure water from the underground workings, however continues. Sibanye-Stillwater has applied to the DMR for the closure of the underground workings.

The proposed solution is to allow the natural re-watering of the underground workings and the consequent recovery of the Gemsbokfontein West dolomitic compartment, which will reinstate the natural flow of the Gemsbokfontein eye into the Wonderfonteinspruit with good quality dolomitic water. To achieve the closure objectives, it was necessary to isolate the Gemsbokfontein West compartment by installing three concrete plugs between Cooke 3 and Ezulwini. Construction of these plugs began in May 2017 and their completion is planned for the middle of 2018. Five plugs, between South Deep and Ezulwini, were installed by Gold Fields' South Deep mine between 2003 and 2005, as part of an earlier closure of Ezulwini. Extensive investigation into the stability and predicted long-term operating performance of the plugs, as well as the barrier pillars between both South Deep and Ezulwini and Cooke 3 and Ezulwini, indicated that the probability of failure of the plugs and pillars is small enough to be considered negligible.

On the strength of the findings of these investigations, an application under NEMA and the NWA was submitted to the regulators for authorisation to re-water the mine workings and aquifer. This involved specialist impact studies, risk assessments and two rounds of public participation, with input from neighbouring mines, communities, regulators and NGOs being received. A decision is expected during 2018, in line with the legislated Basic Assessment Process.

2017 closure liability and rehabilitation

The key focus of the 2017 closure liability assessment for the SA region was to align closure costs for the PGM operations, acquired during 2016, with those of Sibanye-Stillwater's various gold operations. The 2017 closure liability provided for a closure framework that includes the compilation of concurrent rehabilitation plans and risk assessments for all operations as per the requirements of GN1147. These plans will be strictly managed and delivered to reduce the overall closure liability over time.

The total liability for the SA region is R6.9 billion as at 31 December 2017 (2016: R6.2 billion) as follows:

- PGM operations – R2.7 billion (2016: R2.1 billion)
- Gold operations – R4.2 billion (2016: R4.1 billion)

The 2017 assessment is the culmination of a five-year project to refine the model for the gold operations to an acceptable level of accuracy and detail to be used in concurrent rehabilitation planning at the different operations. This resulted in a net increase (1.6%) in the annual liability costs, comprising market related increases in demolition rates, but also decreases in closure liabilities as a result of the reworking of Surface Rock Dumps and the demolition of redundant infrastructure.

A different approach and assessment methodology had been used previously to assess closure liabilities at the PGM operations. Alignment with the Sibanye-Stillwater model resulted in a 33.6% increase in the 2017 liability costs for these operations. The main contributors to the increase are amongst others, the use of to-date demolition unit rates used in the assessment, the inclusion of detailed actions required, as well as the application and costing of rehabilitation strategies as defined and developed over the past five years at the gold operations.

VAT on closure provisions

Towards the end of 2016 Pre-Directives (Notices of Intention to issue a Compliance Notice) were issued by the DMR: Gauteng region to three of our SA gold operations, directing those them to include and provide for a then-14% Value Added Tax (VAT) in their closure liability calculations. In January 2017, and as directed by the pre-directive, Sibanye-Stillwater, supported by strong legal arguments, submitted comprehensive responses/representations to the DMR on this contentious issue, including a tax advisory from PwC Tax Advisory Services and an official VAT Ruling from the South African Revenue Service (SARS) applied for in December 2016. Both these documents concurred and confirmed that:

- Contributions by Sibanye-Stillwater to the environmental trust funds are not subject to VAT
- Reimbursement of rehabilitation expenditure incurred is not subject to tax provided it relates to a taxable supply made by Sibanye-Stillwater
- Sibanye-Stillwater is entitled to deduct input tax, in respect of the VAT on rehabilitation expenses incurred by it in the course of conducting its mining operations and paid by the Trust or Guardrisk on behalf of Sibanye-Stillwater.

Despite representation, formal letters and submissions, the DMR has not formally responded and so the VAT issue remains unresolved. The issue has further complications for Sibanye-Stillwater in that the DMR has been withholding key environmental authorisations in lieu of payment of VAT, including authorisations for the WRTRP.

The total area under management by Sibanye-Stillwater at the gold operations in 2017 was 50,316ha of which the total of land disturbed by mining and related activities was 17,359ha. At the SA PGM operations, a total area of 24,368ha are managed and disturbed by mining and related activities.

LAND RECLAMATION IN THE US REGION

Since their inception, mines in the US region have embraced interim reclamation of mine disturbances. Waste rock and tailings are non-acid generating and meet all applicable regulatory standards, such that soils and vegetation are unlikely to be affected at final reclamation and closure. This non-acidic waste, in conjunction with interim reclamation practices, substantially minimises potential impacts to air and water resources while re-establishing forage and biological diversity that benefit wildlife and maintain the visual integrity of the sites. For example, at the Stillwater mine's Hertzler tailings site, we have collaborated with regulatory authorities to improve the tailings embankment design, which allows for concurrent reclamation with significant visual appearance and revegetation benefits. When final closure occurs, the design will reduce final reclamation costs, help re-establish productive wildlife habitat, and maintain the visual integrity of the site and functionality.

Reclamation and closure bonds are required at both US region mines to ensure adequate resources exist to fund reclamation activities at closure. These amounts are adjusted every five years following a collaborative review by the Company and its regulatory agencies. In 2017, the reclamation and closure bond amount for the Stillwater mine was US$24.30 million, including that of the Benbow portal, while the bond amount for the East Boulder mine was US$18.00 million.

In addition to responsible closure and reclamation, the Company employs conservation easements on nearly 40% of its owned land. These legal mechanisms protect scenic vistas, enhance wildlife habitat, preserve wildlife migration corridors, all while maintaining Montana's rural character and fostering biodiversity and healthy forests.

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

Land under management and rehabilitated in the US region – as at 31 December 2017 (Hectares)

	Total and/or permitted	Disturbed	Undisturbed	Rehabilitated / reclaimed
East Boulder	132.7	86.0	46.7	20.4
Stillwater	424.9	356.3	68.6	207.1
Metallurgical Complex	82.6	13.0	69.6	0
Total	**640.2**	**455.3**	**184.9**	**227.5**

WATER MANAGEMENT

WATER MANAGEMENT SYSTEMS AND FOOTPRINT

Sibanye-Stillwater recognises water as a critical resource, and considers an integrated approach to the management of its water footprint and its water systems infrastructure as a key component of its business strategy. Efficient water management is vital in terms of preservation, consumption and cost.

Our Southern African water footprint in terms of water withdrawn, consumed and purchased is detailed below. The Group water footprint in the SA region increased significantly following the acquisitions of the PGM operations. Water intensity, a measure of the amount of water used per tonne treated, improved largely as a result of the efficient use of water by the PGM operations – to 1.31kl/tonne in 2017 compared with 1.71kl/tonne in 2016. Less water is used at the PGM operations than at the gold operations as a result of the dry nature of the mines, the substantial number of domestic consumers on the gold mines and the Beatrix evaporation pans, which evaporate excess fissure water. The water intensity for the gold operations increased year on year as a result of the decrease in tonnes processed.

Sibanye-Stillwater's water footprint – our water usage

	2017				2016		
	Group	US region*	SA region		Group	SA region	
		PGM	PGM	Gold		PGM**	Gold
Water withdrawal (ML)	**125,135**	**2,447**	**13,831**	**108,857**	111,693	4,376	107,317
Water discharged (ML)	**70,586**	**1714**	**0**	**68,872**	65,833	0	65,833
Water used** (ML)	**54,548**	**733**	**13,831**	**39,984**	45,860	4,376	41,484
Total water purchased (ML)	**20,933**	**94**	**8,937**	**11,902**	15,027	2,674	12,353
Water purchased from water services authorities (%)	**38**	**13**	**65**	**30**	33	61	30
Volumes treated (Mt)	**41.83**	**1.9**	**20.90**	**19.03**	26.80	6.60	20.20
Intensity (kl/tonne treated)	**1.31**	**0.43**	**0.66**	**2.10**	1.71	0.66	2.05

* *For the period May to December 2017*

** *The figures for 2016 includes Kroondal from April 2016 and Rustenburg operations from November 2016*

"Total purchased" includes "Potable water purchased" and "Municipal sewage effluent purchased" at Rustenburg operations
"Water withdrawal" Includes all water abstracted from ground water sources and total purchased
"Water discharged" is all water discharged into the environment at licenced discharge points
"Water used" is water withdrawal – water discharged
"Volumes treated" is all dry tonnes processed in Sibanye-Stillwater metallurgical plants and concentrators
"Intensity" is water used/volumes treated

Note: Water used = total abstracted (withdrawn) minus water discharged

In the SA region, the water management control system has been extended to include continuous water quality data and flow metering for process control. By year-end, an automated water metering system had been successfully deployed across the West Rand and at Beatrix in the Free State province. Approximately 220 potable water meters are now being used to monitor water consumption continuously and to identify the location of water leaks. Leaks detected at Driefontein and Cooke have resulted in monthly savings of more than R2 million. The intention is to fully integrate the system across all operations to minimise water losses across the Southern African footprint. This system is to be rolled out at the SA PGM operations by the third quarter of 2018. Through the implementation of the water metering system, it has also been established that there is substantial scope to reduce water consumption at specific consumption points.

The strategy to monitor and manage the Sibanye-Stillwater water footprint is aligned with our strategy to be independent of municipal water and improve our water security and reduce our dependence on external suppliers of potable water. There are two primary advantages to being water independent:

- It will allow the operations to generate potable water from already available underground fissure sources more cheaply than it costs to purchase drinking water from municipal supplies
- It will reduce the load on municipal supplies significantly and allow them to make provision for the shortfalls predicted in the future

During 2017, a business case for potable water independence was developed, concept designs were done, proposals were invited, and purchase equities prepared. The project entails the interim upgrade by adding a 5Ml/d membrane softening facility. Completion is expected in 2018.

WATER COST SAVING INITIATIVES

Potable water conservation and water demand management

While Sibanye-Stillwater advances the critical water independence strategy, water cost saving initiatives initiated during 2017 will continue. The table that follows compares 2017 potable water consumption with that of previous years and indicates the savings achieved.

Total potable water purchased 2015 - 2017

Potable water purchased (Ml)	2017	2016	2015
Beatrix	**2,881**	2,758	3,201
Cooke	**2,123**	2,692	4,112
Driefontein	**2,210**	1,657	1,726
Kloof	**4,688**	5,247	5,755
Kroondal	**1,744**	2,333*	
Rustenburg	**4,637**	4,977*	
Total – Gold operations	**11,902**	12,353	14,794
Total – PGM operations	**6,382**	7,309	
Total – SA region	**18,284**	19,663	14,794

** The figures for 2016 include the Kroondal and Rustenburg operations from January 2016*

Following the installation of bulk water meters to improve water conservation and water demand the drinking water purchased has reduced across the SA footprint. The gold operations saw a 451Ml reduction despite substantial increases in the Driefontein and Beatrix operation. Driefontein and Beatrix consumption increased by 33% and 4.5% respectively following production demands. The substantial decrease observed at the Cooke operation (569 Ml or 21.1% year on year) and Kloof operation (559 Ml or 10.7% year on year) followed the implementation of effective leak management interventions and improved use of process (return water) and effective offset of purchased water to available fissure water.

The increased pumping capacity between the Marikana return water dam and the Kroondal return water dams, enabled the Kroondal operation to withdraw more water from the Marikana pits, resulting in a reduction of 588 Ml (26%) for total water purchased[1].

[1] To determine this impact, the consumption for 12 months in 2016 was compared with 12 months in 2017 even though Sibanye-Stillwater only acquired Kroondal in April 2016.

Potable water treatment cost minimisation

Sibanye-Stillwater continues to operate two potable water treatment facilities which softens hard underground fissure to SANS241 potable standards.

Driefontein consumed a total of 9,097 Ml of Potable water of which 2,210Ml was purchased from Merafong Municipality and the rest supplied from underground fissure water treated by sand filter and ion exchange treatment facility. This treatment facility enabled potable water to be obtained at a substantially lower cost and affected a cost saving of R40.1 million during 2017.

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

Another treatment facility, in this case a crystal actor treatment plant, is operated at Cooke 4. This operations consumed a total of 1,133 Ml of which 126 Ml was purchased from a Rand Water Board source. The crystal actor affected a cost saving of R 4.9 Million in operational cost during 2017.

Review of municipal water charges, water resource management systems and costs

Sibanye-Stillwater receives water from Rand Water, Sedibeng Water, Rand West Local Municipality, Merafong Local Municipality and Rustenburg Local Municipality. A substantial component of water cost control and management is the review and reconciliation of invoices from municipalities and other water supply authorities for purchased water and water resource management charges. Invoice irregularities have been identified. A process has been instituted to reconcile invoices received with volumes purchased and to resolve issues, administrative delays and inefficiencies.

Optimisation of the number of water monitoring control points

During 2017, more opportunities were identified to reduce the number of water quality monitoring points and in so doing, reduce the number of compliance samples. To realise such cost savings, a new integrated monitoring programme will be developed with support from the DWS. This initiative will continue into 2018.

Update on water management operations

Sibanye-Stillwater's Environmental Department provides operational and contracts management support for several water management facilities, including: surface water potable water treatment plants, the Western Basin Acid Mine Drainage (AMD) treatment facility, a mud dewatering plant (MUM), underground settlers, cold lime softening plants, cooling water treatment plants, underground potable water plants, wastewater (sewage) treatment plants and new technology pilot plants. The 2017 highlights include:

- Successful re-commissioning of the MUM project to treat underground mud from Cooke 1 and 2 shafts. Some 800 tonnes of mud was dewatered and treated at the Ezulwini metallurgical plant during 2017.
- Successful commissioning of the 250m^3/day WRTRP water treatment pilot plant. The pilot plant treats return water from a tailings facility to potable standards while simultaneously ensuring the waste stream is of stable composition for disposal on the tailings facility.
- Sibanye-Stillwater successfully converted some of their underground settlers at Cooke 1, Cooke 2 and Cooke 4 into cold lime softening units so as to enable the removal of metals and uranium from the settled water being discharged into the environment.
- AMD treatment facility: Alkaline tailings from the Cooke surface reclamation project has had the desirable effect of neutralising acidic water in the Western Basin, following deposition into the pits. This has reduced the acidity of the basin and improved the discharge quality of the water.
- Western Basin Treatment Facility: The treatment plant which treats AMD increased the treatment rate to 35-40ML/day during the first quarter of 2017. This increased treatment rate has lowered the water table in the Western Basin by 3.5m; the deepest level since the decant from the Western Basin started in 2002.

Water management in the US region

Water is generally not a scarce resource in the US region, however management of excess mine water, its treatment and disposal, remain a primary focus. Related to this is management of water in tailings facilities. Water treatment facilities are employed at the mines and portal sites to remove nitrogen added to mine water and waste rock from blasting operations. The water treatment facilities employ a biological treatment process to remove enough nitrogen so that the treated water can be disposed of either through land application disposal, percolation, or deep well injection. These facilities, which are reviewed and optimised continually, are to be expanded in the near future.

AIR QUALITY – ENERGY AND EMISSIONS MANAGEMENT

Sibanye-Stillwater monitors and measures its emissions from direct fuel sources such as diesel (scope 1), emissions from indirect fuel sources such as purchased electricity (scope 2) and indirect emissions associated with purchased materials.

Energy consumption (TWh)

	2017	2016	2015	2014	2013
SA region	**5.77**	4.72	4.23	4.27	3.78
Gold operations	* **4.16**	4.16	4.23	4.27	3.78
Beatrix	**0.63**	0.66	0.65	0.65	0.66
Cooke	**0.54**	0.58	0.59	0.63	–
Driefontein	**1.50**	1.44	1.47	1.47	1.56
Kloof	**1.47**	1.46	1.50	1.53	1.55
PGM operations	**1.61**	0.56			
Kroondal	**0.36**	0.35			
Rustenburg	**1.24**	0.21			
US region**	**0.24**				
Stillwater (includes the Columbus Metallurgical Complex)	**0.19**				
East Boulder	**0.53**				
Group total	**6.01**	4.72	4.23	4.27	3.78

** Includes Burnstone's consumption of 0.03TWh*

*** For the period May to December 2017*

Nitrogen and sulphur oxide emissions

The volumes of materials consumed have a direct bearing on our scope 1 and scope 3 carbon emissions and also on emissions of nitrogen oxides and sulphur oxides.

	2017	2016	2015	2014	2013
Nitrogen oxides (tonnes)					
SA region	**1,126**	887	618	19,901	14,618
US region*	**105**				
Total	**1,231**	887	618	19,901	14,618
Sulphur oxides (tonnes)					
SA region	**605**	667	499	632	464
US region*	**6**				
Total	**611**	667	499	632	464

** For the period January to December 2017*

Nitrogen oxide and sulphur oxide emissions for the Southern Africa region are derived by the multiplication of fuels (diesel, petrol, liquid petroleum gas, coal, helicopter fuel and paraffin) by the corresponding emission factors. Nitrogen oxides and sulphur oxides are monitored as key indicators of emissions from combustion of fuels

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

The increase in nitrogen oxides from 2016 to 2017 is attributed to the increased volumes of diesel consumed in 2017 by the PGM operations which are accounted for the full year in 2017 as compared with 2016 when consumptions were pro rata from the dates of acquisitions – Kroondal from April 2016 and Rustenburg operation from November 2016.

The decrease in sulphur oxides from 2016 to 2017 is attributable to the reduced volume of coal used (reduced from 22 533 tonnes in 2016 to 15 017 tonnes in 2017). Coal is used at our Beatrix operation for comfort heating at the high density residences. One of the two boilers was out of order for a period during 2017, resulting in lower coal consumption. Currently there are no regulated limits for sulphur oxide emissions.

Air emissions management in the US region

The US region continues to leverage technology to reduce air emissions and exceed state and federal standards. Air emissions at the Metallurgical Complex are generally well controlled. Sulphur dioxide (SO_2) is the primary constituent affecting air quality at processing facilities in the region. At these facilities, gasses released from smelting operations are routed through a state-of-the-art, dual alkaline, gas/liquid scrubbing system, which removes approximately 99.8% of SO_2. In 2017, only 2.6t of SO_2 was released during the 12 months, which amounts to only 3.5% of the permitted limit.

In addition to very low SO_2 emissions, our Base Metals Refinery (BMR) recently moved away from using SO_2 as a reagent to remove impurities from the electro-winning feed stream. Rather than purchasing liquid SO_2, shipping it to the facility, and storing it on-site, Company metallurgists were able to employ copper fines, a recycled copper e-scrap product as a replacement. Ceasing the use of liquid SO_2 on-site removes the need for heightened regulatory oversight.

Energy and carbon management

The South African government is looking to implement measures such as carbon budgets and carbon tax to encourage the reduction of carbon emissions. The National Treasury released the second draft carbon tax bill in December 2017 for comment. The full implications of this draft bill are being assessed and comments were submitted on 9 March 2018. The financial implications of the first draft carbon tax bill had been estimated to be between approximately R4 million and R25 million annually on the premise that purchased electricity (scope 2) emissions are excluded. In the event that purchased electricity (scope 2) emissions are included, the annual tax liability could increase to between approximately R249 million and R271 million.

Sibanye-Stillwater is opposed to the introduction of a carbon tax on the basis that the incremental cost negatively affects the economic viability of marginal operations, which in turn impacts employment.

Sibanye-Stillwater continually seeks to actively reduce its carbon emissions by, among others, the implementation of energy efficiency projects. Such projects also provide added benefits including the tax incentive opportunity presented by Section 12L of the Income Tax Act, which makes provision for businesses to claim a deduction against taxable income on energy efficiency savings of R0.95 per kWh saved.

During 2017, six projects from the gold operations were registered with the South African National Energy Development Institute. These projects have realised tax certificates totalling R180 million. These tax certificates make it possible for the respective deductions to be made from taxable income. In addition, PwC has been tasked with exploring opportunities on a broader facility-based approach for Section 12L eligibility. If successful, the facility-based applications could realise tax certificates amounting to approximately R149 million. The SA region’s PGM operations are also exploring potential opportunities from the Section 12L incentive.

Energy management in the US region

To increase operational efficiency and reduce energy consumption, steps have been taken to implement more efficient management of the ventilation systems and the supply and management of compressed air at the East Boulder and Stillwater mines. In addition, energy efficient lighting systems have been installed across the operations.

In the area of electricity consumption, the US region began purchasing a portion of its electricity as renewable hydropower from Energy Keepers, Inc. (EKI), a Native American tribal entity, which operates a three-unit hydroelectric facility on the Flathead River in north-west Montana. EKI is the first tribally-owned major hydroelectric operator in the US.

In addition to this hydroelectric source, a new solar panel array at the Metallurgical Complex was commissioned in December 2017. This array has a peak output of 100kW and will provide electricity to power the main office building at the Complex. It is estimated the array will produce about 144,000kWh annually, which is enough electricity to power 13 homes.

Energy reduction initiatives

The gold operations spent R39.3 million on energy efficiency initiatives during 2017. This resulted in energy savings of 9.7MW.

Some of the key initiatives implemented at the gold operations were aimed at optimising the main ventilation fans by installing medium-voltage variable-speed drives on drive motors, improved turbine availability and efficiency, optimising cooling cars, the installation of localised air conditioning units underground, and regarding pumping, various efficiency projects are underway, including the installation of heat pumps and closed-loop cooling systems.

The SA region’s PGM operations continued with the compressed air optimisation project in 2017. Two performance assessments of twelve to cover the three year project period, were completed with very positive results. So far, the project has saved more than 3 700 MWh. This equates to a R3-million saving for the 2017 financial year. The compressed air project, an integrated demand management project, was partially funded by Eskom in support of energy efficiency initiatives.

Energy intensity (GJ/tonne milled)

	2017	2016	2015	2014	2013
SA region	**0.60**	0.68	1.02	0.98	1.05
Gold operations	**0.79**	0.79	1.02	0.98	1.05
Beatrix	**0.78**	0.69	0.73	0.69	0.70
Cooke	**0.53**	0.43	0.76	0.77	–
Driefontein	**0.91**	0.89	1.03	1.09	1.08
Kloof	**0.94**	1.15	1.56	1.36	1.36
PGM operations	**0.22**	0.45			
Kroondal	**0.21**	0.51			
Rustenburg	**0.22**	0.38			
US region*	**0.95**				
Stillwater (includes the Metallurgical Complex	**1.40**				
East Boulder	**0.49**				
Group total	**0.69**	0.68	1.02	0.98	1.05

For the period May to December 2017

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

SOLAR ENERGY

A prefeasibility study completed in 2014 confirmed a solar photovoltaic plant could supply carbon-neutral electricity as an economic, competitive alternative to carbon-intensive grid-supplied power. A 150MW photovoltaic plant is planned for development on a site strategically placed between the Driefontein and Kloof mining complexes on the West Rand. Photovoltaic generation from a site adjacent to Sibanye-Stillwater's mining operations represents a partial solution to securing alternative electricity supply and allows the power generated to be injected directly into the mine's electrical reticulation.

Given regulatory delays, highlighted as the largest risk to the project in the 2016 IAR, the planned operation of the first phase of 50MW has been moved out to the second half of 2019. Despite these delays, significant progress was made in 2017 towards project execution. Two Environmental Authorisations in terms of the National Environmental Act were provisionally granted by the Department of Environmental Affairs, together with a Water Use Authorisation in terms of the National Water Act from the Department of Water and Sanitation. Rezoning of the land was also approved by the Rand West City Local Municipality. Combined, these approvals allow for construction of the plant and associated infrastructure on the project site. The geotechnical studies and basic engineering design have been completed in support of the project.

To execute the project, Sibanye-Stillwater has elected to run a competitive tender process to appoint a project developer who will build, own and operate the project, and sell power back to Sibanye-Stillwater through a power purchase agreement (PPA). This approach has a minimal upfront capital requirement for Sibanye-Stillwater and allows capital to be prioritised for core mining projects. The tender was successfully concluded in 2017, enabling a significant forecasted return to Sibanye-Stillwater over the course of the agreement.

Eskom, as the local grid operator, has provided provisional technical approval of the plant's interconnection, as required by the Electricity Regulation Act. The commercial terms of their statutory connection and operations monitoring function are still being negotiated. With approval from the Department of Energy, Sibanye-Stillwater and the preferred project developer are in the process of applying for a generation licence from the National Energy Regulator which is required to operate the plant.

In 2018, the final milestones will be obtained, allowing the construction phase to begin in the second half of the year. The terms of the power purchase agreement are currently being concluded with the preferred project developer. The agreement is expected to be executed in H1 2018, subject to final Board approval. Financial close will be reached once the final regulatory approvals are granted, allowing construction to begin. Although the project team carefully monitors and manages these, energy sector uncertainty and regulatory approvals remain the biggest implementation risk to the project.

This technology and approach to utility-scale private power supply are being adopted at a rapid pace globally, with Sibanye-Stillwater leading the charge in Africa. Once completed, this project will be the single largest private offtake plant on the African continent. The project team is confident that the project will be a success and provide a suitable solution to alternative energy supply while deriving commercial benefit. Initial estimates are that it will reduce our carbon consumption by around 120,000t CO_2e per 50MW phase.

CARBON EMISSIONS

Scope 1 and scope 2 (direct emissions) carbon inventory (000t CO_2e)

	2017				2016			2015	2014	2013
	Group	US region*	SA region		Group	SA region		SA region	SA region	SA region
		PGM	PGM	Gold		PGM	Gold	Gold	Gold	Gold
Scope 1 (excluding fugitive mine methane)	**196**	**32**	**43**	**121**	116	18	99	94	110	62
Scope 1 (fugitive mine methane)	**565**	**na**	**na**	**565**	596		596	650	660	572
Scope 2	**5,837**	**183**	**1,573**	**4,081**	4,720	557	4,163	4,272	4,405	3,774
Scope 3	**2,539**	**544**	**980**	**1,016**	1,029	180	849	867	863	634
CO_2e intensity (per tonne milled)	**0.13**	**0.01**	**0.06**	**0.25**	0.22	0.12	0.24	0.25	0.28	0.32

** For the period January to December 2017 in accordance with the World Resources Institute, greenhouse gas protocol*

Not all entities include all categories of scope 3 emissions as the newly acquired entities such as Rustenburg PGM and Stillwater are still obtaining information on certain categories to be reported in the future

Emissions from at least eight of the 15 Scope 3 categories have been included as follows:

1 *Purchased goods and services: emissions associated with the extraction and production*

2 *Capital goods: emissions associated with the production of purchased company-owned vehicles*

3 *Fuel- and energy-related emissions not included in Scope 1 or Scope 2: emissions associated with the extraction, production and transportation of diesel, petrol, liquid petroleum, gas, coal, blasting agents, oxyacetylene and grid electricity*

4 *Upstream transportation and distribution: emissions associated with the transportation and distribution of purchased commodities*

5 *Waste generated in operations: emissions associated with the disposal and treatment of Sibanye-Stillwater's solid waste and waste water in facilities owned or operated by third parties (such as municipal landfills and wastewater treatment facilities)*

6 *Employee commuting: emissions associated with the transportation of Sibanye-Stillwater's employees between their homes and work sites*

7 *Downstream transportation and distribution: CO_2e emissions associated with transportation of product from Sibanye-Stillwater*

8 *Processing of sold products: CO_2e emissions associated with smelting and refining*

9 *End-of-life treatment of sold products: CO_2e emissions associated with smelting to repurpose the product*

10 *Downstream leased assets are applicable to the SA region only: CO_2e emissions associated with the leasing of houses to mineworkers where emissions are generated from electricity use*

11 *Investments: are applicable to the Southern Africa region only*

12 *Business travel in the US region was not tracked and therefore not included*

The following Scope 3 categories have not been included:

- *Franchises: Sibanye-Stillwater does not have any franchises*
- *Use of sold products: emissions associated with the use of products sold are deemed insignificant as only processing and end-of-life treatment of products sold are expected to have significant associated emissions*
- *Upstream leased assets: no significant upstream leased assets have been identified*

Purchased electricity formed the bulk of Sibanye-Stillwater's carbon emissions, accounting for 91%. The continuation of energy efficiency projects and the implementation of the planned solar PV project is expected to further reduce emissions from purchased electricity.

The South African National Treasury aims to encourage companies to gradually revise their fuel inputs, production techniques and processes by encouraging investments into energy efficient and low carbon technologies. The lower emissions will be incentivised further on the introduction of a carbon tax. The first phase of implementation has been extended from 2020 to 2022. The carbon tax will be introduced at a rate R120 per tonne of CO_2 equivalent and increased annually by the consumer price inflation plus 2%. The 60% tax-free threshold and allowances for trade exposure, performance and offsets have been retained from the first draft with revised specifications. The full implications are being assessed and detailed comments will be submitted to National Treasury during the commenting period.

Given the recent incorporation of the US region, base year emissions are currently under review. This will form the basis for our new company-wide targets.

MINIMISING THE ENVIRONMENTAL IMPACT CONTINUED

MATERIALS CONSUMED

A range of materials is consumed in the conduct of our business, the use of which we optimise so as to reduce both costs and consumption.

Materials consumed

Tonnes	2017				2016			2015	2014	2013
	Group*	US region[1]	SA region		Group	SA region		SA region	SA region	SA region
		PGM	PGM	Gold		PGM[2]	Gold	Gold	Gold	Gold
Timber	**102,543**	**263**	**878**	**101,402**	110,606	82	110,524	163,722	104,468	110,524
Cyanide	**7,552**	**na**	**na**	**7,552**	11,967	na	11,967	11,924	11,758	11,967
Explosives	**31,942**	**3,893**	**22,140**	**5,902**	13,814	7,046	6,768	7,854	4,175	6,768
Hydrochloric acid	**4,469**	**0.4**	**na**	**4,469**	4,414	na	4,414	3,773	3,579	4,414
Caustic soda	**3,378**	**204**	**na**	**3,174**	2,674	na	2,674	3,421	2,947	2,674
Lime	**72,378**	**na**	**na**	**72,378**	76,556	na	76,556	68,128	39,843	76,556
Cement[3]	**60,706**	**16,459**	**[4]3,459**	**40,788**	44,378	1,513	42,865	41,101	38,579	42,865
Diesel (kL)	**26,065**	**7,344**	**[4]8,979**	**5,943**	10,422	3,325	7,097	6,410	6,274	7,097
Lubricating and hydraulic oil (kL)	**7,639**	**565**	**[4]4,280**	**1,411**	7,777	7,777				
Grease (kg)	**212,102**	**11**	**[4]26,130**	**186,953**	19	19				

[1] *For the period January to December 2017, of which May to December 2017 were consumed by Sibanye-Stillwater*

[2] *PGM data for 2016 include operations under management – Kroondal (50%) is included for the nine months from April to December 2016 and Rustenburg operation for two months (November and December 2016)*

[3] *Includes all categories of cement and cement mixtures*

[4] *Represents five months for the Rustenburg operations and 12 months for Kroondal*

* *Group total includes four months (January to April 2017) of Stillwater materials consumed before these operations were under our ownership*

GOVERNANCE

Sound governance on environmental issues remains the backbone of our efforts to achieve our Environmental Vision 2020, and to achieve and remain legally compliant. At Sibanye-Stillwater, our environmental policies (such as our Water Management Policy, Carbon Management Policy, among others), our environmental vision and operating procedures govern our environmental activities, performance and reporting. In the Southern Africa region, internal environmental monitoring, site inspections, and audits are conducted at pre-determined frequencies in order to assess legal compliance at operational level, as well as to gauge the implementation and achievement of environmental targets, objectives and programmes. In addition, external audits are conducted by third parties related to our:

- Water use licences (WULs)
- Environmental Management Plans (EMPs)
- Any other environmental permit, licence or approval, where external and third-party auditing is a condition of approval

External auditors also review and monitor data and the Department of Water & Sanitation (DWS) and DMR conduct regulatory inspections, as does the National Nuclear Regulator (NNR) and the Trans-Caledon Tunnel Authority.

Internal environmental reporting is as follows:

- Monthly operational environmental performance reports to all operational vice presidents and senior operational staff
- Monthly NEHS (natural environment, health and safety) meeting (executive committee) at which non-conformances and principal indicators, as assured by external auditors, are discussed
- Quarterly report into the social and ethics, audit and risk committees, where material environmental issues are reported, and where oversight on these is sought from these board committees
- Ad hoc performance and issues-based reports to relevant staff to highlight specific environmental issues and mitigation measures

Other initiatives implemented to strengthen environmental governance at our operations include the following:

- The compilation and maintenance of an Environmental Risk Register, as part of the enterprise-wide risk management (ERM) system, highlighting material environmental risks, their potential impact on the business and how they can be mitigated
- The re-introduction of an environmental management system aligned to the principles of ISO 14001
- Effective environmental stakeholder engagement as part of environmental governance

Externally, the US region's operations are governed by a multitude of permits issued by the Montana Department of Environmental Quality, the United States Forest Service, and the Environmental Protection Agency. Routine (generally annual) reporting to the agencies is done for operating and other primary permits, as are regular agency inspections.

In addition to these regulatory relationships, we engage frequently with the Good Neighbour stakeholders to address planned operational activities, as well as to report any environmental incidents. The Good Neighbours undertake audits of certain components of the applicable agreement at various times.

FUTURE FOCUS

In the SA region:

- Responsible compliance with all legal, regulatory and generally accepted standards applicable to our mining operations in different jurisdictions
  - Ensuring that water abstracted, used, stored and / or discharged is compliant with legal and regulatory requirements
- Proactive environmental incident management supported by enabling technologies and comprehensive reporting, in order to minimise or prevent pollution
- Implementation of sound environmental management practices and systems, and the development of fit-for-purpose environmental standards and procedures that promote continual improvement
- Proactive air quality management using nationally prescribed methodologies
- Efficient and responsible use of natural resources including water and energy, and the responsible management of all waste and effluent streams emanating from our mining operations
- Implementation of a sustainable closure strategy, and concurrent rehabilitation for the environmentally responsible and effective socio-economic closure of our mining operations
- Continual assessment of our water, land and carbon footprint – developing resource conservation programmes to effectively manage and reduce our footprint
- Developing environmental training and awareness programmes for employees and communities
- Communicating openly and transparently with all our stakeholders insofar as our environmental impacts and environmental management programmes are concerned.
- Providing water that is safe and secure (available) for our people, machinery, infrastructure and the environment
- Hands-on supervision of water management contracts, thereby ensuring the efficient operation of water infrastructure
- Crafting and implementation of a municipal water independence strategy

In the US region from an environmental perspective, the focus in 2018 will be on:

- Continued mining, waste, and water management strategies that meet or exceed regulatory requirements, including the GNA
- Developing a long-term environmental strategy, including that related to water, tailings, waste, and air, and traffic management to support the long-term operations plans
- Achieving zero annual externally reportable and reduced internally reportable environmental incidents
- Enabling the sustained production of the operation plan's business goals
- Enabling the retention of the No.1 position in the PGM recycling industry with a planned sustained throughput
- Maintaining healthy relationships with the GNA and other external stakeholders
- Ensuring that the Environmental Team is fully resourced and strategically aligned to meet the US region's strategic goals

BOARD AND EXECUTIVE MANAGEMENT

BOARD

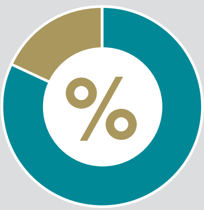
Sibanye-Stillwater's ability to deliver on its purpose, mission and strategic objectives is underpinned by the quality and expertise of its leadership. The Board of Directors provides sound, ethical leadership and strategic guidance and ensures that the principles of good corporate governance are the foundation of all that we do.

Standing: Susan van der Merwe, Nkosemntu Nika, Rick Menell, Timothy Cumming, Charl Keyter, Savannah Danson, Jerry Vilakazi, Barry Davison, Keith Rayner **Seated:** Neal Froneman, Sello Moloko

The Board of Directors is led by an independent, non-executive chairman. There are 11 members in all, nine of whom are independent non-executive directors. Collectively, the directors have the breadth and depth of skills, knowledge and experience required to make a positive contribution to ensuring that Sibanye-Stillwater delivers on its strategic goals.

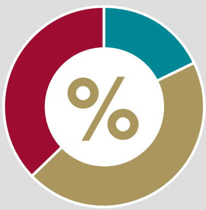
BOARD CHARACTERISTICS

By gender



Male	82%
Female	18%

By age

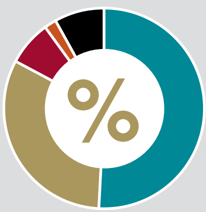


40-50 years of age	18%
51-60 years of age	45%
>60 years	37%

By historically disadvantaged South African (HDSA)

HDSAs	36%
Other South Africans	64%

By qualification



Finance	51%
Executive management	32%
Engineering	7%
Natural science/geology	2%
Law	8%

CHAIRMAN

SELLO MOLOKO (52)
BSc (Hons) and Postgraduate Certificate in Education, Advanced Management Programme

Appointed non-executive chairman of the Board on 1 January 2013.

Chairman:
Nomination and Governance Committee
Member:
- Remuneration Committee
- Safety and Health Committee
- Social and Ethics Committee

EXECUTIVE DIRECTORS

NEAL FRONEMAN (58)
Chief Executive Officer
BSc Mech Eng (Ind Opt), BCompt, Pr Eng

Appointed an executive director and CEO on 1 January 2013.

Chairman: Executive Committee

Member: Safety and Health Committee

CHARL KEYTER (44)
Chief Financial Officer
BCom, MBA, ACMA and CGMA

Appointed a director on 9 November 2012, and executive director and CFO on 1 January 2013.

Member: Executive Committee

INDEPENDENT NON-EXECUTIVE DIRECTORS

TIMOTHY CUMMING (60)
BSc (Hons) (Engineering), BA (PPE), MA

Appointed as a non-executive director on 21 February 2013.

Chairman: Remuneration Committee
Member:
- Risk Committee
- Social and Ethics Committee

SAVANNAH DANSON (49)
BA (Hons) Communication Science and Finance, MBA, Strategic Planning and Finance

Appointed as a non-executive director on 23 May 2017.

Member:
- Audit Committee
- Remuneration Committee

BARRY DAVISON (72)
BA (Law and Economics), Graduate Commerce Diploma, CIS Diploma in Advanced Financial Management and Advanced Executive Programme

Appointed as a non-executive director on 21 February 2013.

Chairman: Safety and Health Committee
Member:
- Nominating and Governance Committee
- Remuneration Committee
- Social and Ethics Committee

RICHARD MENELL (62)
MA (Natural Sciences, Geology), MSc (Mineral Exploration and Management),

Appointed as a non-executive director on 1 January 2013.

Chairman: Risk Committee

Member:
- Audit Committee
- Social and Ethics Committee
- Nominating and Governance Committee
- Safety and Health Committee

NKOSEMNTU NIKA (60)
BCom, BCompt (Hons), Advanced Management Programme, CA (SA)

Appointed as a non-executive director on 21 February 2013.

Member:
- Audit Committee
- Nominating and Governance Committee
- Remuneration Committee

KEITH RAYNER (61)
BCom, CTA, CA (SA)

Appointed as a non-executive director on 1 January 2013.

Chairman: Audit Committee

Member:
- Remuneration Committee
- Risk Committee
- Social and Ethics Committee

SUSAN VAN DER MERWE (63)
BA

Appointed as a non-executive director on 21 February 2013.

Member:
- Audit Committee
- Safety and Health Committee

JERRY VILAKAZI (57)
BA, MA, MBA

Appointed as a non-executive director on 1 January 2013.

Chairman: Social and Ethics Committee

Member: Nominating and Governance Committee

Detailed curriculum vitae of members of Board members are available in the Financial Report 2017, the Summarised Report 2017 and Notice of Annual General Meeting and the corporate website at: www.sibanyestillwater.com

TERMS OF OFFICE:

The following directors retire by rotation at the upcoming annual general meeting on 30 May 2018, and have indicated they are available for election or re-election: Savannah Danson, Richard Menell, Keith Rayner and Jerry Vilakazi.

EXECUTIVE MANAGEMENT

Sibanye-Stillwater's executive management team and prescribed officers drive and oversee implementation of strategy. The team includes two executive directors.

Standing: Themba Nkosi, Richard Stewart, Dawie Mostert, Wayne Robinson, Chris Bateman, Charl Keyter, Hartley Digale **Seated:** Neal Froneman, Robert van Niekerk

PRESCRIBED OFFICERS

The executive management teams, which include prescribed officers, meet regularly to discuss, plan and make decisions on the strategic and operating issues facing Sibanye-Stillwater. As at 29 March 2018, the prescribed officers were as follows:

NEAL FRONEMAN (58)
Chief Executive Officer

CHARL KEYTER (44)
Chief Financial Officer

ROBERT VAN NIEKERK (53)
EVP: Head of SA region

CHRIS BATEMAN (52)
EVP: Head of US region

HARTLEY DIKGALE (57)
EVP: Head of legal and regulatory affairs (SA region)

DAWIE MOSTERT (48)
EVP: Organisational effectiveness

THEMBA NKOSI (44)
EVP: Head of human resources (SA region)

WAYNE ROBINSON (55)
EVP: Head of operations (SA region)

RICHARD STEWART (42)
EVP: Head of business development

EVP: Executive vice president

Detailed curriculum vitae of members of the executive management and prescribed officers are available on our website at: www.sibanyestillwater.com

In line with the revised leadership structure, the corporate Group executives are supported by two regional executive management teams. Sibanye-Stillwater's revised leadership structure is intended to facilitate the group's seamless transition to a global multi-commodity business.

SA REGION – EXECUTIVE

Robert van Niekerk, Head of SA region
Wayne Robinson, Head of operations
Hartley Dikgale, Head of legal and regulatory
Thabisile Phumo, Head of stakeholder relations
Kevin Robertson, Head of business improvement
Themba Nkosi, Head of human resources
Pieter Henning, Head of finance
Nash Lutchman, Head of protection services
Bheki Khumalo, Head of organisational development and communication

US REGION – EXECUTIVE

Chris Bateman, Head of US region
Ken Kluksdahl, Head of operations
Kris Koss, Head of human resources and safety
Justin Froneman, Head of finance
Heather McDowell, Head of legal, environmental and government affairs

CORPORATE GOVERNANCE

MESSAGE FROM THE CEO

"Vigorous, principled corporate governance, together with ethical leadership, is the foundation for successful delivery on our purpose of improving lives and on our commitments to create value for all our stakeholders. Ethical, responsible conduct underpins all that we do in relation to our daily business activities and ultimately delivery on our strategic objectives."

Neal Froneman – Chief Executive Officer

Strong, ethical corporate governance, based on the principles of accountability, transparency, competence, responsibility, fairness and integrity, is fundamental to the long-term sustainability of our business and to sustained value creation for all stakeholders. These principles which are implicit in our CARES values are applied in the management of our business and in reporting to shareholders and other stakeholders. Our governance structures, processes and policies, together with our code of ethics, underpin execution of our strategy and support our business model.

A major focus in the past year was ensuring compliance with the King IV Report on Corporate Governance for South Africa, 2016 (King IV). Its recommendations on corporate governance are more focused and practical with greater emphasis on the outputs and outcomes of governance structures. A gap analysis between King III and King IV was undertaken in the beginning of 2017 and certain new recommendations were identified. These were addressed during the course of 2017 and are disclosed in the Integrated Annual Report. Sibanye-Stillwater has embraced the outcomes-based philosophy of King IV and begun the process of aligning our corporate governance structures and practices with the principles of King IV. While this process is still underway, we have nevertheless substantially adopted the disclosure requirements recommended by King IV to the extent possible in this integrated report. We have embedded the required disclosures throughout the report, demonstrating that our governance is integrated in the business.

ETHICAL AND EFFECTIVE LEADERSHIP

ETHICS IN ACTION

Our corporate governance framework is underpinned by our policy statements on corporate governance, ethics and human rights. Together these aim to promote an organizational culture that is non-sectarian, apolitical, and socially and environmentally responsible.

Code of Ethics

Our Code of Ethics requires that Board members and employees of Sibanye-Stillwater conduct themselves ethically, honestly and fairly. This code, together with our human rights policy statement, is based on our core CARES values, providing the foundation on which the integrity of our organisational culture is built. Our code and policies are dynamic, evolving as we strive for ever higher standards.

Our Code of Ethics incorporates the following principles:

- fairness and integrity in all business dealings, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- respect for the human rights and dignity of all
- acceptance of diverse cultures, religions, race, disability, gender and sexual orientation
- conduct of business activities in a manner that is free of bribery and corruption
- conduct of business in a safe and responsible manner and without causing harm
- honesty and accountability
- adherence to sound standards of corporate governance and applicable laws
- commitment to co-operating with relevant stakeholders to achieve public policy, laws, regulations and procedures that promote and contribute to sustainable development

CORPORATE GOVERNANCE CONTINUED

In promoting ethical behaviour, the code of ethics also addresses conflicts of interest, confidentiality, bribery, political contributions, accountability and insider trading, among others. The code of ethics is currently being updated to include the US region. Sibanye-Stillwater provides training on ethics for employees and those employees returning from leave, business partners and Board members during induction. At each Board meeting, directors declare in writing any conflict of interest. Whenever a director or the Company Secretary deals in Sibanye-Stillwater shares, these dealings are announced on the Stock Exchange News Service (SENS).

Governance and management of ethics

Ethics awareness initiative

In light of the heightened focus on ethical behaviour by companies, the increased pressure and scrutiny on the company and its employees and the continued changes in regulations such as King IV, UK Bribery Act, US Foreign Corrupt Practices Act, etc. Sibanye-Stillwater has decided to refresh and increase its efforts around ethics awareness, training and learning.

Sibanye-Stillwater has therefore engaged Ernst & Young to assist with the development and roll out of an ethics awareness programme, due to their in-depth understanding of the mining industry coupled with an ethics roadmap approach and insight that serves to address the focus on awareness and communication.

This programme is being rolled out across the entire business ranging from the miners, contractors, middle management, senior management, Board, suppliers as well as those people entering and exiting the business.

The overall objective of the programme is to ensure that all employees, contractors and suppliers are aware of, familiar with and trained on, Sibanye-Stillwater's values, ethics, guiding principles and associated governance practices. By increasing the ethics consciousness, it will serve to contribute to embedding ethical actions, behaviours and daily practices in activities of the company and its people.

Additionally, the King IV Code on Corporate Governance specifically talks about ethical leadership and the role of the Board, as well as establishing organisational ethics as part of the programme. The Board and management will be engaged on King IV ethical considerations during the training and kept up to date on the programme. This will assist the Board and management in discharging their duties and to demonstrate their commitment to these governance principles and imperatives. Ethics training will be customised to cater for the various categories of employees, management and the Board and delivered in a tailored manner.

There will also be ongoing learning, training and awareness campaigns beyond the initial training to ensure that the topic of ethical behaviour is reinforced, remains top of mind and is well understood.

The Code of Ethics applies to all at Sibanye-Stillwater, with the Board being ultimately accountable. The Board, as the custodian of corporate governance, has overall responsibility for ensuring that the company's ethics are managed effectively. Its charter, along with the Code of Ethics, requires the Board to build and sustain an ethical corporate culture, in which it is assisted by certain sub-committees. The Audit Committee is accountable for ensuring group-wide compliance with the Code of Ethics, while the Social and Ethics Committee assists in ensuring that Sibanye-Stillwater complies with best practice recommendations on social and ethical management.

Our Code of Ethics, related policies and governance structures govern our interaction with suppliers and encourage the reporting of contraventions and non-compliance with relevant legislation and regulations and include procedures to address corruption and bribery. These procedures include a toll-free line, managed by an independent third party (i.e. Deloitte; Toll free number 0800 001 987) that guarantees anonymity. This enables employees, suppliers and customers to report any irregularities and misconduct without fear of victimisation. The toll-free number is used for reporting any concerns, including non-compliance.

A total of 638 incidents (2016: 520) relating to dishonesty were reported at Sibanye-Stillwater's SA gold operations during 2017 and led to 537 (2016: 387) employees, including contractors, being charged and disciplined in terms of our Code of Ethics.

Many of the incidents reported involved monetary theft or dishonesty and assisting illegal miners. The increase in incidents and arrests reported followed several initiatives aimed at combatting illegal mining.

At Sibanye-Stillwater's PGM operations in South Africa, 71 such incidents were reported with 44 employees who had been implicated being prosecuted in terms of our Code of Ethics.

Our Code of Ethics is also used to guide stakeholder engagement as well as the ethical conduct of our business partners and associates. The monitoring of procurement-related conflict of interest is important. Plans are underway to ensure that all suppliers are similarly bound by our Code of Ethics and that they in turn conduct themselves as responsible corporate citizens.

Given the numerous transactions undertaken by Sibanye-Stillwater in recent years, every effort was made to ensure that no director, management official or other employee of Sibanye-Stillwater was able to benefit directly or indirectly on the basis of unpublished price-sensitive information.

In terms of the Code of Ethics, Sibanye-Stillwater does not, as a general rule, make political donations, either in cash or in kind. As a result, there were no political donations made in 2017.

RESPONSIBLE CORPORATE CITIZENSHIP

The Code of Ethics commits Sibanye-Stillwater, its Board and employees to promoting a socially and environmentally responsible culture.

In terms of its Charter, the Board, when making decisions, takes into account the impact of Sibanye-Stillwater's operations on society and the environment, in conjunction with assessing the financial impact. The Board oversees management's development and implementation of policies and programmes incorporating the principles of corporate responsibility.

The Board in turn ensures that the company is a responsible corporate citizen. Given the importance of the mining industry to the South African economy, and to host and labour-sending communities in particular, our corporate citizenship responsibilities are significant. Corporate citizenship underpins our corporate strategy as well as our reputation in terms of our workforce, our relationships with communities, and our environmental management and performance. The specific governance of these socio-economic areas are detailed in the relevant sections of this integrated report:

Workplace:	Superior value for the workforce; Safety and health focus
Economy:	How we create value
Social:	Social upliftment and community development
Environment:	Minimising our environmental impact

In line with our commitment to good corporate citizenship, Sibanye-Stillwater ensures compliance with all taxation laws and regulations in the jurisdictions in which we operate.

Sibanye-Stillwater currently has no operating subsidiaries in tax havens. It is also not Sibanye-Stillwater's intention to start operating in tax havens in the near future.

Tax governance

Sibanye-Stillwater Group's tax strategy is aligned to the Group's overall strategy of "superior value creation" as an organisation. In maintaining a competitive advantage, the Group recognises the importance and necessity of implementing an effective and efficient tax risk management framework that will promote governance, address tax risk and create superior value. The Group's Tax Strategy provides a Board approved tax governance framework through which the Group's tax obligations and associated risk are managed, reported and monitored. The framework is based on good corporate tax citizenship and is aligned to the principles of King IV. The Group tax strategy is supported by the Group tax policy which is an operational document detailing processes and policies to ensure the effective implementation and compliance to the Group tax strategy.

The Board is ultimately accountable for tax governance and must provide oversight of how tax is managed within the organisation by managing key stakeholders' concerns, overall tax risk and delegating authority for the management of tax. The Board is supported by the Risk and Executive Committees in discharging this obligation.

Overview of the tax landscape

Sibanye-Stillwater contributes directly to tax authorities and other regulators by way of taxes borne and taxes paid in the jurisdictions in which the Group operates, enabling governments to provide social infrastructure and services.

In order to effectively deal with uncertainty in the tax landscape in the jurisdictions in which the Group operates and meet objectives and stakeholder expectations, the Group follows a continuous, proactive and dynamic process to monitor both local and international tax developments and to identify, understand, manage and communicate tax risks that may impact the Group's objectives as set out in the Enterprise Risk Management Framework (ERMF).

In monitoring all tax positions, the Group further monitors developments in the international tax landscape, and with specific reference to the Base Erosion and Profit Shifting (BEPS) programme.

The Group, in response and in adherence to the BEPS programme, and the South African Revenue Service (SARS) Country-by-Country (CbC) Reporting requirement, submitted its CbC report for the 31 December 2016 year of assessment on 28 February 2018.

CORPORATE GOVERNANCE CONTINUED

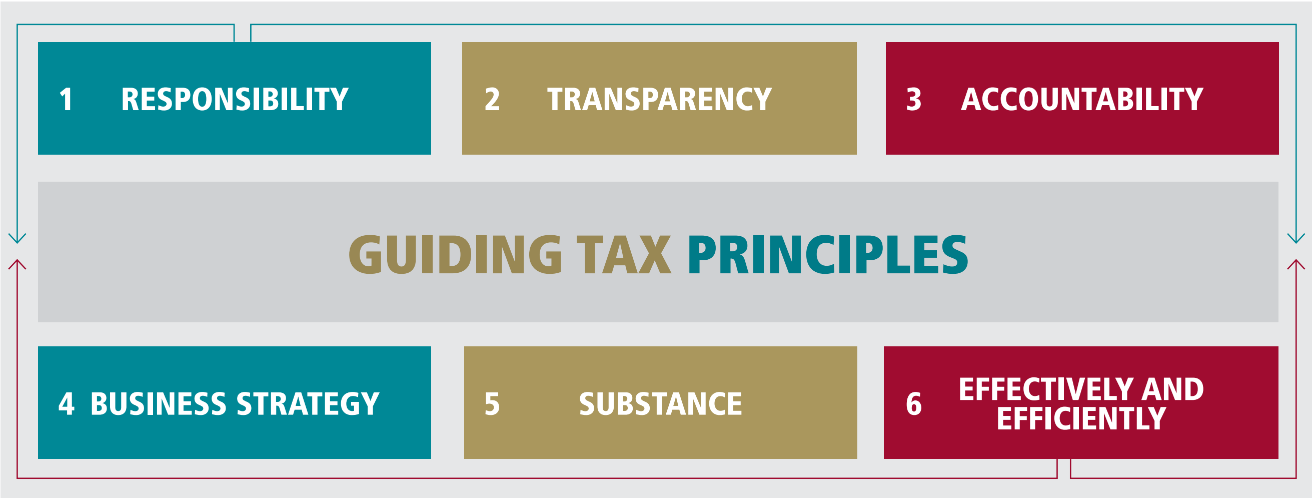
The Group acknowledges that the continued focus on the extractive industry, influenced by political changes and the complexity of the operating environment, may give rise to a challenging fiscal environment.

Sibanye-Stillwater's approach to tax

The Group, in meeting its overall objective of value creation, strives to arrange its tax affairs in an effective and efficient manner and to act in good faith by always remaining compliant with current laws in all jurisdictions in which it operates and taking into account financial and reputational risk.

The Group adopts a conservative approach to tax risk management, understanding its responsibility to pay its fair share of tax. Tax risk is considered in every commercial decision, aligned to the Group's overall strategy that tax positions assumed should have a high prospect of success in case of a review by tax authorities.

THE GROUP'S APPROACH TO TAX GOVERNANCE IS BASED ON THE FOLLOWING KEY PRINCIPLES



- **Transparency** – The Group seeks to build open, transparent and constructive relationships with Tax Authorities, other regulators and other relevant stakeholders, both internally and externally and all communications are conducted in a professional, courteous and timely manner in order to minimise the risk of challenge, dispute or damage to the Group's credibility and reputation.
- **Responsibility** – The Group pro-actively seeks to apply professional care and judgement, taking ownership of actions and acting honestly and with integrity while aligning actions within reasonable expectation of all relevant stakeholders.
- **Accountability** – The Group is confident that it understands its roles and responsibilities in identifying and mitigating tax risks, enabling the Group to meet its tax obligations.
- **Fairness** – The Group understands its responsibility to pay its fair share of tax.
- **Substance** – The Group understands that all transactions must have a business purpose and commercial rationale that supports the Group's value creation activities.
- **Effectiveness and efficiency** – Group Tax, as a business partner, commits to manage the tax affairs of the Group in an effective and efficient manner.

VALUE CREATION AND REPORTING

The Board is committed to good governance whilst directing and managing the Group to achieve its strategic objectives. We actively integrate our stakeholder engagement, material risk and opportunity evaluation, strategy, business model and performance to create value for our shareholders and stakeholders. We commit to transparent reporting that focuses on:

- reporting on our strategy and value creation process in compliance with the requirements of the exchanges on which we are listed and best practice
- providing stakeholders and the financial investment community with clear, concise, accurate and timely information on Sibanye-Stillwater's operations and results
- reporting integrated information to shareholders on Sibanye-Stillwater's financial and sustainable performance

Our suite of annual reports includes this integrated report, which is our primary report, a mineral resource and reserve report, the financial report and a company financial report. All reports are reviewed and approved by the Audit Committee on behalf of the Board.

OUR BOARD, GOVERNANCE STRUCTURES AND PROCESSES

GOVERNANCE FRAMEWORK

In implementing our strategy and responding appropriately to mitigate material issues, we acknowledge that governance aspects may enable or impede our progress. The strength of our leadership team lies in its agility and ability to respond to market opportunities, such as recent geographic and product diversifications. In developing Sibanye-Stillwater's strategy, the Board takes into account associated risks and ensures alignment with Sibanye-Stillwater's CARES values and the overall purpose of superior value creation for all. Ultimately, the Board's role is to protect value.

The Board ensures that the strategy is cascaded and managed through the Corporate Executive Management comprising the CEO, CFO, heads of the SA region and US region, Business Development and Organisational Effectiveness. The heads of the regions oversee that the governance framework is applied in the respective regions and report to the Corporate Executive Management. The latter reports to the Board.

BOARD OF DIRECTORS

Ensures Sibanye-Stillwater's financial sustainability by monitoring and reviewing financial controls and procedures, as well as the effectiveness of internal audit and control systems. Oversees regulatory and legislative compliance

AUDIT COMMITTEE

Ensures Sibanye-Stillwater's financial sustainability by monitoring and reviewing financial controls and procedures, as well as the effectiveness of internal audit and control systems

RISK COMMITTEE

Ensures implementation of efficient risk management processes and controls to identify and monitor and mitigate risks

REMUNERATION COMMITTEE

Ensures fair reward to attract, retain and motivate executive management with the skills necessary to support and sustain the company and its strategy

NOMINATING AND GOVERNANCE COMMITTEE

Develops the approach of Sibanye-Stillwater to matters of corporate governance and makes recommendations to the Board with respect to all such matters.

SAFETY AND HEALTH COMMITTEE

Ensures adherence to occupational health and safety and to minimise mining-related accidents

SOCIAL AND ETHICS COMMITTEE

Supports and assists the Board in ensuring compliance with best practice recommendations relating to the ethical conduct of our stakeholder engagement

CORPORATE GOVERNANCE CONTINUED

KEY AREAS OF BOARD DELIBERATION IN 2017

- Successfully completed the acquisition of the Stillwater Mining Company, which transaction was transformative in creating a globally competitive precious metals mining company.
- Successfully completed a US$1 billion rights offer, a US$1.05 billion bond issues and issued US$450 million convertible bonds.
- Approved the proposed sale of selected assets from the WRTRP to DRDGOLD in exchange for equity in DRDGOLD.
- Placed Cooke 1, 2 and 3 on care and maintenance and converted the Ezulwini Gold Plant into a profitable surface rock dump treatment operation. The plant has the ability to form a central processing infrastructure for a larger West Rand cluster once the DRDGOLD transaction is completed.
- Approved the proposed acquisition of Lonmin which would be an all-share offer via a scheme of arrangement. This transaction aligns with Sibanye-Stillwater's mine-to-market strategy in South Africa and adds commercially attractive smelting and refining.

Planned areas of focus for 2018

- To consolidate and strengthen Sibanye-Stillwater's competitive position as a leading international precious metals mining company and to reduce current levels of debt to a more nominal position.

BOARD CHARTER

Sibanye-Stillwater's ability to deliver on its purpose, mission and strategic objectives is underpinned by the quality and expertise of its leadership. The Board provides sound, effective, ethical leadership and strategic guidance, ensuring that the principles of good governance are the foundation of all that we do and ensuring appropriate business and financial risk management is in place. In addition, given our responsibilities as a corporate citizen, the Board and the various sub-committees, oversee the provision of assistance and development support to host communities and deserving institutions.

Its charter sets out the Board's responsibilities, authority and mandate. The Board, which has ultimate responsibility for our adherence to sound corporate governance practice, ensures that all business decisions are made from an informed, ethical position, with all reasonable care, skill and diligence, in line with our CARES values. The charter requires the Board to consider the impact of Sibanye-Stillwater's operations and activities on broader society and the environment, in addition to its financial performance. The Board is duty bound to ensure that management develops and implements policies and programmes aligned with Sibanye-Stillwater's role as a responsible corporate citizen. The Board charter is reviewed annually and was revised to align with King IV.

The charter requires the Board to establish and sustain an ethical corporate culture, one that is regularly assessed and monitored and reported on.

The Board which acts in the best interests of the company, in line with its charter, informs and improves the business strategy, which is aligned to the Group's overall purpose, our value drivers and stakeholders' legitimate interests and expectations. In reviewing the strategy, the Board also takes into account inherent risks and the need to achieve sustainable outcomes.

The Board steers strategic direction and planning, approves policy, oversees and monitors delivery on Sibanye-Stillwater's strategy and ensures accountability.

The Board is satisfied that it has fulfilled its responsibilities in accordance with the charter.

BOARD COMPOSITION AND CHANGES DURING THE YEAR

Appointments to the Board are based on skill, expertise, and experience required to provide Sibanye-Stillwater with a sustainable, ethical strategy that takes into account the short- and long-term impacts on the economy, society and the environment as well as internal and external stakeholders.

The Sibanye-Stillwater Board, which is chaired by an independent non-executive director, currently comprises 11 directors, following the resignation during the year of three non-independent directors. Christopher Chadwick resigned effective 23 May 2017 as he was no longer a representative of Gold One Group on the Sibanye-Stillwater Board. Robert Tze-leung Chan and Jiyu Yuan, the Gold One Group representatives on the Sibanye-Stillwater Board, resigned on 18 September 2017. Their resignation followed a strategic review conducted by Gold One who confirmed that these resignations in no way affected their strategy regarding their shareholding in Sibanye-Stillwater or their continued support of the Group as its largest shareholder.

In line with our policy on gender and diversity, Savannah Danson was appointment as an additional independent director on 23 May 2017.

Board composition and characteristics

Gender	Independence	Tenure	Demographics	Age
Nine males, two females	Nine independent non-executive directors; two executive directors	In accordance with the Memorandum of Incorporation, one third of the directors retire from office at each AGM. The first to retire is the director appointed as an additional member of the Board followed by the longest serving members. Retiring directors can be immediately re-elected by the shareholders at the AGM. The Board assisted by the Nominating and Governance Committee recommends the eligibility of retiring directors (subject to availability and their contribution to the business) for re-appointment.	Four HDSAs, seven non-HDSAs	Two younger than 50; five between 51 and 60; four older than 60

The Board has concluded that it has the appropriate mix of knowledge, skills, experience, diversity and Independence

GENDER DIVERSITY POLICY

The Company's policy aims to promote gender diversity at Board level. Currently, out of eleven Board members, two are women. Savannah Danson, was appointed on the Board in May 2017 as an independent non-executive director.

BOARD EFFECTIVENESS AND PERFORMANCE EVALUATIONS

During the year the Board received training from the Company Secretary on the impact and application of King IV.

In line with King IV's recommendations, the Board conducted a rigorous evaluation of the independence of directors and an internal assessment of the effectiveness of the Board and its committees. An external consultant was also appointed to independently review the Board's effectiveness at the beginning of 2017. The outcome of the independent assessment revealed that all the necessary structures and processes for an effective Board are established and functioning well. The Board had fulfilled its role and responsibilities and had discharged its accountability to the company and its shareholders and other stakeholders in an exemplary manner. In November 2017, the Board reviewed the composition of the Board, its attributes and succession following the expansion and diversification of the company and concluded that there was a need for an additional director with PGM experience. Accordingly, the Board mandated the CEO to search for a suitable candidate.

The Chairman is evaluated annually by the Board which, with the assistance of the Nominating and Governance Committee, carried out a rigorous review of the Chairman's performance and independence during 2017. The Board concluded that there were no factors that impaired his independence and appointed the Chair for another year. The performance of the Company Secretary was evaluated by the Board. The Board was satisfied with his competence, qualifications, experience and maintaining an arms-length relationship with the Board. In addition, all Directors have full access to the services and advice of the Group Company Secretary in all aspects of the Board's mandate and operations of the Group, the Board is satisfied that these arrangements are effective.

In addition to the quarterly interactions through Board meetings and regular engagement with the Chairman and Board members, the CEO's performance is formally evaluated by the Remuneration Committee and the Board on an annual basis through a combination of delivery on:

- Board-approved KPIs for operational and financial performance of the company, and
- Strategic objectives that reflect progress on the Board-approved business strategy for the company as reflected on the CEO's individual scorecard.

Operational and financial delivery targets for the company and the CEO's performance contract for delivery on agreed strategic imperatives are approved by the Board at the start of each annual performance cycle in the context of the Board review of the company's strategic plan. A formal evaluation is performed at year end which includes external audit of the performance, particularly on those targets which include quantitative measures. The Board is satisfied that the CEO has provided a high level of strategic leadership to the business balancing the shorter term imperatives to deliver stakeholder value while positioning the company for longer term strategic success.

The notice period stipulated in the CEO's employment contract related to termination is six months. Conditions on termination are depended on circumstances under which termination takes place. Please refer to the Remuneration Report which contains information specifically on the change of control terms applicable to the current Executive Director incumbents.

The Board is satisfied that the evaluation process set out above improves the performance and effectiveness of the Board.

CORPORATE GOVERNANCE CONTINUED

Board meetings

Seven Board meetings were held during 2017. This included a strategy session.

Member	Date appointed	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	Meeting 6	Meeting 7
Independent non-executive directors								
Sello Moloko (Chairman)	1 January 2013	✔	✔	✔	✔	✔	✔	✔
Timothy Cumming	21 February 2013	✔	✔	✔	✔	✔	✔	✔
Savannah Danson [1]	23 May 2017	✘	✘	✘	✔	✔	✔	✔
Barry Davison	21 February 2013	✔	✔	✔	✔	✔	✔	✔
Rick Menell	1 January 2013	✔	✔	✔	✔	✔	✔	✔
Nkosemntu Nika	21 February 2013	✔	✔	✔	✔	✔	✔	✔
Keith Rayner	1 January 2013	✔	✔	✔	✔	✔	✔	✔
Susan van der Merwe	21 February 2013	✔	✔	✔	✔	✔	✔	✔
Jerry Vilakazi	1 January 2013	✔	✔	✔	✔	✔	✔	✔
Non-independent non-executive directors								
Chris Chadwick [2]	16 May 2014	✔	✔	✘	✘	✘	✘	✘
Robert Chan [3]	16 May 2014	✔	✔	✔	✔	✘	✘	✘
Jiyu Yuan [3]	12 May 2015	✔	✔	✘	✔	✘	✘	✘
Executive directors								
Neal Froneman	1 January 2013	✔	✔	✔	✔	✔	✔	✔
Charl Keyter	1 January 2013	✔	✔	✔	✔	✔	✔	✔

[1] Danson did not attend the first three meetings as she was only appointed on the Board on 23 May 2017
[2] Chadwick resigned on 23 May 2017 and therefore did not attend the last five meetings
[3] Chan and Yuan resigned on 18 September 2017 and therefore did not attend the last three meetings

BOARD COMMITTEES

The Board is supported by the following committees. All committees, including the Board, fulfilled their responsibilities in accordance with their terms of reference. Below is a summary of each committee, its remit, its membership and meetings, the main areas of focus in 2017 and planned areas of focus for 2018.

AUDIT COMMITTEE

This committee monitors and reviews Sibanye-Stillwater's accounting controls and procedures, including the effectiveness of its information systems and other systems of internal control; the effectiveness of the internal audit function; reports of both external and internal auditors; interim reports, the annual report on SEC Form 20-F, the consolidated annual financial statements; the accounting policies of Sibanye-Stillwater and any proposed revisions thereto; external audit findings and reports, and the approval thereof; and compliance with applicable legislation and requirements of regulatory authorities and Sibanye-Stillwater's Code of Ethics.

Sibanye-Stillwater's CFO and internal and external auditors as well as senior management attend all Audit Committee meetings and have unrestricted access to the Chairman of this committee. The Audit Committee, in turn, communicates freely with other members of the Board not serving as members of the Audit Committee. To perform its functions effectively, the Audit Committee meets at least quarterly, but more frequently if required.

In compliance with Sarbanes-Oxley Act, the Board has identified Audit Committee chair, Keith Rayner, as that committee's financial expert. In addition, the Board believes that the members of this committee collectively possess the necessary knowledge and experience to oversee and assess the performance of Sibanye-Stillwater's management and auditors, the quality of our disclosure controls, the preparation and evaluation of the financial statements and our financial reporting. The Board also believes that the members of the Audit Committee collectively possess an understanding of the audit committee functions necessary to diligently execute their responsibilities.

The Audit Committee oversight on the combined assurance model for the Group ensured that significant risks and material issues received the requisite assurance to ensure enhanced value to the company and optimise reliance from assurance providers. The combined assurance model adopted relies on the five levels of defence, and the reporting from the five levels of defence through to the committees of the board, assurance on the significant risks and material issues were provided. Upon consolidation of the output from the various committees, the Audit Committee formed its opinion on the reliance of internal reporting, external reporting and the effectiveness of the control environment. The Audit Committee through its mandate approves assurance activities in the Group as a result ensures adequate assurance coverage of significant risks and material issues.

Membership of and attendance at Audit Committee meetings – 2017

Member	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	Meeting 6
Keith Rayner (Chairman)	✔	✔	✔	✔	✔	✔
Savannah Danson [1]	✘	✘	✘	✘	✔	✔
Rick Menell	✔	✔	✔	✔	✔	✔
Nkosemntu Nika	✔	✔	✔	✔	✔	✔
Susan van der Merwe	✔	✔	✔	✔	✔	✔

[1] Danson did not attend the first four meetings as she was only appointed on 20 June 2017

Key focus areas and report back – 2017

The Audit Committee focused on and is satisfied that it has discharged its duties with regard to the following areas of key focus for the financial year ended 31 December 2017:

- Ensuring that there are established appropriate financial reporting procedures in compliance with the JSE Listings Requirements and other listed jurisdictions and that those procedures are operating, resulting in compliance with all periodic financial reporting requirements during the financial year in all jurisdictions where Sibanye equity or debt securities are listed
- Being delegated responsibility to approve the issue of all Group periodic financial reports by the board, and fully discharging such responsibilities
- Ensuring correct accounting and integration of acquisitions
- Ensuring all IT issues were properly dealt with including system integration for acquisitions and that all cyber security reviews were satisfactory completed
- Examining the JSE 2017 and 2018 proactive monitoring reports and noting key accounting issues for consideration with respect to periodic financial reporting on an ongoing basis
- Engaging regularly with Internal Audit and the SOX department, and being satisfied as a result thereof that internal controls are effective and that all recording and reporting requirements are being correctly effected
- Engaging with the CFO to discuss important financial and governance issues when appropriate
- Reviewing new amendments to various laws, including changes to IFRS, affecting the group and ensuring compliance with same or noting thereof
- Ensuring that a combined assurance model is applied and is effective in providing a coordinated approach to risk and assurance activities
- Reviewing the Audit Committee charter and ensuring compliance with the Companies Act, JSE Listings Requirements and King IV requirements
- Performing the External Auditor Suitability Review in accordance with the JSE Listings Requirements, consequently recommending the incumbent external audit firm and engagement partner for re-appointment to the Board, which concurred, resulting in the re-appointment resolution being included in the notice of AGM
- Performing a review of independence of the external audit firm and engagement partner in compliance with the Companies Act and being satisfied therewith
- Evaluating the CFO's performance in compliance with the JSE Listings Requirements and being satisfied with respect thereto

For further information on the performance of the Audit Committee and matters addressed, please see the Audit Committee Chairman's report in the *Financial Report 2017*, which is available online at www.sibanyestillwater.com.

FUTURE FOCUS

In 2018, the Audit Committee will be focusing on discharging its normal duties with a particular focus on reducing current debt levels. The Committee will also specifically focus on the accounting treatment for the proposed sale of selected assets from the WRTRP to DRDGOLD and the accounting treatment for the proposed acquisition of Lonmin, provided both transactions become unconditional and close during the financial year.

CORPORATE GOVERNANCE CONTINUED

RISK COMMITTEE

While the entire risk management process, including related systems of internal control, is the responsibility of the Board, this committee is responsible for ensuring that management implements appropriate risk management processes and controls. Management is accountable to the Board for designing, implementing and monitoring an integrated process of risk management into the daily activities of Sibanye-Stillwater. The Board, through the Risk Committee, ensures that management implements appropriate risk management processes and controls. The committee's responsibilities include:

- Reviewing the effectiveness and efficiency of the Sibanye-Stillwater's enterprise risk management system and being assured that material risks are identified and that appropriate risk management processes are in place, including the formulation and subsequent updating of appropriate Company policies
- Reviewing the adequacy of the Risk Committee's charter, policy and plan
- Reviewing the parameters of the Company's risk/reward strategy, in terms of the risk appetite and tolerance relative to reward and ensuring that risks are quantified where practicable
- Regularly receiving a register of the Company's key risks and potential material risk exposures from management, reviewing and approving mitigations strategies, and reporting to the Board any material changes to and/or divergence from the risk profile of the Company
- Monitoring the implementation of operational and corporate risk management plans
- Reviewing the insurance and other risk transfer arrangements, and considering whether appropriate coverage is in place
- Reviewing the business contingency planning process within the Group and being assured that material risks are identified and that appropriate contingency plans are in place
- Conducting a formal risk assessment at least once a year, which should be continually reviewed, updated and applied.

Membership of and attendance at Risk Committee meetings – 2017

Member	Meeting 1	Meeting 2	Meeting 3
Rick Menell (Chairman)	✔	✔	✔
Tim Cumming	✔	✔	✔
Chris Chadwick [1]	✘	✘	✘
Robert Chan [2]	✔	✘	✘
Keith Rayner	✔	✔	✔
Jiyu Yuan [2]	✘	✘	✘

[1] *Resigned on 23 May 2017*
[2] *Resigned on 18 September 2017*

Key focus areas and report back – 2017

The Risk Committee focused on and is satisfied that it has discharged its duties with regard to the following areas of key focus for the financial year ended 31 December 2017:

- Approval of the risk management policy, risk framework, risk committee charter and the risk plan and ensuring compliance with the King IV principles and practices
- Assessing the risk of cyber intrusions, the committee concluded that the risk was low. A dedicated resource was appointed to manage cyber risk on a full time basis
- Approval of the business continuity plan, as well as the enterprise risk management and the biannual strategic risk register. The top 10 risks to the company and mitigation actions were reviewed in detail, together with the Sibanye-Stillwater's risk tolerance and risk appetite levels
- Ensuring that the Company complied with all applicable legislative requirements
- Approval of the combined assurance model
- Ensuring adequate insurance cover for the business

FUTURE FOCUS

In 2018 the Risk Committee will be focusing on further maturing the enterprise risk management framework for the company.

NOMINATING AND GOVERNANCE COMMITTEE

This committee is responsible for ensuring that new directors undergo an appropriate induction process; recommending to the Board the need for Board participation in continuing education programmes; identifying and recommending to the Board successors to the Chairman and CEO; developing the approach of Sibanye-Stillwater to matters of corporate governance; and making recommendations to the Board concerning such matters.

Membership of and attendance at Nominating and Governance Committee meetings

Member	Meeting 1	Meeting 2	Meeting 3
Sello Moloko (Chairman)	✔	✔	✔
Barry Davison	✔	✔	✔
Rick Menell	✔	✘	✔
Nkosemntu Nika	✔	✔	✔
Jerry Vilakazi	✔	✔	✔

Key focus areas and report back – 2017

The Nominating and Governance Committee focused on and is satisfied that it has discharged its duties with regard to the following areas of key focus for the financial year ended 31 December 2017:

- Ensuring leadership development and management succession planning. The committee determined that critical roles had been identified and that the competencies required for executive positions had been finalised and incorporated into the Leadership Development Framework. Assessments to identify potential, readiness and development areas were completed for all executive vice presidents, senior vice presidents and vice presidents
- Having identified the need for gender diversity at Board level, Savannah Danson was appointed as an independent non-executive director in May 2017
- Appointment of an external consultant to assess the Board and evaluate its performance. It was determined that all the necessary structures and processes for an effective Board were established and were functioning well, and that the Board had fulfilled its role and responsibilities, and discharged its accountability to the Company and its shareholders and other stakeholders, in an exemplary manner
- Review and amendment of the Nominating and Governance Committee charter and ensuring compliance with the King IV principles and practices
- Reviewed the fees paid to non-executive directors and recommended the increase to be included in the required resolution in the Notice of AGM
- Reviewed the composition of committee members and recommend the re-election of the Audit Committee members in the required resolutions in the Notice of AGM

FUTURE FOCUS

During 2018, the committee will be focusing on the following:

- Appointing an additional member to the Board with PGM experience
- Rotating members on the Board committees
- Engaging an external provider to benchmark non-executive directors' fees

CORPORATE GOVERNANCE CONTINUED

REMUNERATION COMMITTEE

This committee is responsible for determining Sibanye-Stillwater's remuneration policy and the practices needed to attract, retain and motivate high-performing executives who are demonstrably aligned with Sibanye-Stillwater's corporate objectives and business strategy; and for ensuring that remuneration levels relative to other comparable companies are pitched at the desired level taking relative performance into account. The Remuneration Committee also reviews, on behalf of the Board, both the remuneration levels of senior executives and management share-incentive schemes and the related performance criteria and measurements. To perform these functions, the Remuneration Committee meets quarterly, or more frequently if required.

Membership of and attendance at Remuneration Committee meetings – 2017

Member	Meeting 1	Meeting 2	Meeting 3	Meeting 4
Tim Cumming (Chairman)	✔	✔	✔	✔
Savannah Danson [1]	✘	✘	✔	✔
Barry Davison	✔	✔	✔	✔
Sello Moloko	✔	✔	✔	✔
Nkosemntu Nika	✔	✔	✔	✔
Keith Rayner	✔	✔	✔	✔

[1] *Danson was appointed on 23 May 2017*

An external advisor attended one of the meetings in regard to the review of executive remuneration post the Sibanye-Stillwater regionalisation.

Key focus areas and report back – 2017

The Remuneration Committee focused on and is satisfied that it has discharged its duties with regard to the following areas of key focus for the financial year ended 31 December 2017:

- Submission of a resolution to shareholders at the 2017 AGM to replace the 2013 Sibanye Share Plan, which was passed by shareholders
- Review and approval of executive remuneration post the Sibanye-Stillwater regionalisation exercise
- Review and amendment of the Remuneration Committee charter and ensuring compliance with the JSE Listings Requirements and King IV principles and practices
- Market parity of executive remuneration in line with the company's growth and transformation to an international operating footprint
- Executive remuneration philosophy and policy to cater for United States-domiciled executive management
- Short-term incentive frameworks reflecting strategic delivery imperatives across the expanded company

Refer to the *Remuneration Report* on page 148

FUTURE FOCUS

In 2018, the Remuneration Committee will consider further refinement of the remuneration framework to reinforce the alignment of executive remuneration with shareholder interests. This will include specific consideration of the position to be taken around minimum shareholding requirements for executive management, which have not as yet been adopted at Sibanye-Stillwater. Furthermore, as Sibanye-Stillwater evolves as an international precious metals producer, the performance conditions applicable to conditional shares will be reviewed to ensure that it continues to reflect the delivery of superior value to shareholders.

SAFETY AND HEALTH COMMITTEE

This committee reviews adherence to occupational health and safety. The committee seeks to minimise mining-related accidents.

Membership of and attendance at Safety and Health Committee meetings – 2017

Member	Meeting 1	Meeting 2	Meeting 3	Meeting 4
Barry Davison (Chairman)	✔	✔	✔	✔
Chris Chadwick [1]	✔	✘	✘	✘
Neal Froneman	✔	✔	✔	✔
Rick Menell	✔	✘	✔	✔
Sello Moloko	✔	✔	✔	✔
Susan van der Merwe	✔	✔	✔	✔

[1] Chadwick resigned on 23 May 2017

Key focus areas and report back – 2017

The Safety and Health Committee focused on and is satisfied that it has discharged its duties with regard to the following areas of key focus for the financial year ended 31 December 2017:

- Learning from fatal accidents and putting preventative processes in place to avoid any future accidents
- Introduced the theme of 'saving lives' and engaged with leadership at all levels in the organisation, including unions and associates, to commit to 'not looking the other way'
- Engaged an external expert to work with operational management and internal project resources to improve the safety culture
- The revised safety strategy that was rolled out across the SA region contributed to an improvement in the main safety indicators
- Key themes of the safety strategy were zero harm and saving lives
- In the US region, several initiatives were undertaken to improve safety performance. At East Boulder, a peer-to-peer work place safety assessment was implemented to educate, communicate and create a heightened level of safety awareness

FUTURE FOCUS

The focus area in 2018 for the SA region will be the implementation of a multi-disciplinary integrated safety system. The system involves human resources, rock engineering, occupational health, hygiene and mineral resource management which will link the workplace, technology and people. The system will assist with improved compliance with standards and optimised production planning.

In the US region the focus will be on the reduction of pneumatic jackleg drills at the face and replacing them with new drill handling units which were innovative, zero gravity and on which jackleg drills can be mounted, allowing the operator to perform drilling work more safely.

CORPORATE GOVERNANCE CONTINUED

SOCIAL AND ETHICS COMMITTEE

This committee is responsible for discharging its statutorily imposed duties as outlined in section 72 of the Companies Act and the applicable regulations, which include monitoring Sibanye-Stillwater's activities in relation to relevant legislation, other legal requirements and prevailing codes of best practice regarding:

- Social and economic development
- Good corporate citizenship
- The environment, health and public safety and the impact on Sibanye-Stillwater's activities, products and services
- Consumer relations
- Labour and employment legislation.

The Social and Ethics Committee must bring any matters relating to this monitoring to the attention of the Board and report to shareholders at the AGM. The Board seeks the assistance of the Social and Ethics Committee in ensuring that Sibanye-Stillwater complies with best practice recommendations in respect of social and ethical management.

Membership of and attendance at Social and Ethics committee meetings – 2017

Member	Meeting 1	Meeting 2	Meeting 3	Meeting 4
Jerry Vilakazi (Chairman)	✔	✔	✔	✔
Robert Chan [1]	✔	✔	✔	✘
Tim Cumming	✔	✔	✔	✔
Barry Davison	✔	✔	✔	✔
Rick Menell	✔	✘	✔	✔
Sello Moloko	✔	✔	✔	✔
Keith Rayner	✔	✔	✔	✔

[1] Chan resigned 18 September 2017

Key focus areas and report back – 2017

The Social and Ethics Committee focused on and is satisfied that it has discharged its duties with regard to the following areas of key focus for the financial year ended 31 December 2017:

- Reviewed compliance with the United Nations Global Compact (UNGC) principles
- Reviewed compliance with the International Council on Mining and Metals (ICMM) principles
- Reviewed progress with employment equity
- Reviewed compliance with the Broad-Based Black Economic Empowerment Act
- Reviewed environmental management and social issues, in both the SA region and the US region
- Approved the agri-economy strategy and social labour plan agriculture projects for the SA region
- Further reviewed Sibanye-Stillwater's compliance with the UNGC principles, human rights requirements, the International Labour Organization and contributions to employee education development
- Other matters on the agenda were compliance with the Consumer Protection Act and Sibanye-Stillwater's continued commitment to facilitating and encouraging responsible material and product stewardship. The focus is on re-using and recycling to reduce waste disposal and incorporating supply chain aspects

FUTURE FOCUS

The focus areas for 2018 will be continuous improvement on employment equity issues, minimal backlog in social infrastructure, and supply chain labour plan targets for the Group's employment equity plans and joint ventures.

FUNCTIONAL GOVERNANCE

This section makes disclosure of our functional governance segments for which the Board has overall responsibility, which responsibility has largely been delegated to the various Board committees and to the executive, and should be read together with the relevant referenced reports noted in each functional segment.

RISK AND OPPORTUNITY

Which committees have oversight:	Where else discussed in our report:
• Audit Committee	• Material risks and opportunities (includes risk management)
• Risk Committee	• Audit Committee chairman's report
	• Risk committee report (the full report is available on the website, www.sibanyestillwater.com)

Our risk management framework and processes involve the systematic application of management policies, procedures and practices. It sets out the requirements for effective oversight of risks, including identifying, assessing, evaluating, mitigating risks as well as the reporting of risks. This process also includes communicating, consulting and establishing the context for risk, and for opportunity.

This risk management framework is supported by Sibanye-Stillwater's enterprise risk management system. Operationally, internal audit works closely with the risk management team.

Risk management is a continuous, proactive and dynamic process designed to identify, understand, manage and communicate risks that may have a negative impact on Sibanye-Stillwater's ability to achieve its business objectives.

Sibanye-Stillwater's risk-management framework and processes, including related policies, procedures and practices, is reviewed annually by the Risk Committee, prior to approval by the Board.

The Audit Committee Chair is a member of the Risk Committee, with the Risk Committee Chair being a member of the Audit Committee. This ensures that the Audit and Risk Committees can effectively discharge their duties through obtaining all relevant information through this process.

The risk management framework is aligned with the King IV code and the ISO 31000 standards as well as complying with the Sarbanes-Oxley Act (SOX) of 2002.

The Board is satisfied that Sibanye-Stillwater's governance, risk management, compliance, internal control as well as internal audit processes operated effectively for 2017. Business activities were managed within approved risk-tolerance and risk-appetite levels. Primary controls were implemented and continuous reviews undertaken to refine and improve them.

The most significant risks and opportunities identified and considered in 2017 are discussed in the section *Managing* our *material risks* of this report.

In line with its duties and responsibilities, the Board of Directors monitored, reviewed, provided feedback on and approved the components – the related framework, practices and systems – and the process of enterprise risk management. As part of its ongoing monitoring of risk management, the Board deliberated on and agreed acceptable appetite and risk tolerance levels for key performance areas. Our risk appetite refers to the amount of risk we are willing to take to achieve our strategic objectives and takes into account revenue growth, earnings sustainability, environmental impact, employee well-being, health, safety, the environment, human resources, business plan delivery, license to operate, ethics and governance.

The effectiveness of the enterprise risk management process was audited by PwC and no adverse findings were noted.

CORPORATE GOVERNANCE CONTINUED

INFORMATION AND COMMUNICATION TECHNOLOGY

Which committees have oversight:	Where else discussed in our report:
• Audit Committee	• Technological innovation and modernisation
• Risk Committee	• Audit Committee chairman's report
	• Material risks and opportunities

Technological innovation is an important aspect of our drive to deliver value by improving efficiencies and productivity at our deep-level gold mining operations. The Safety and Health Committee has oversight of mining technology and innovation. For further information on what was accomplished in the past year, see *Technological innovation and modernisation*.

The governance and management of information and related communication technologies (ICT) have become increasingly critical, particularly given the risks associated with information security. The aim of Sibanye-Stillwater's ICT function is to apply innovative technology to enhance operational and knowledge performance to enable continuous business improvement.

Our ICT security strategy aims to minimise risk exposure and to mitigate the risks associated with system and information breaches. Sibanye-Stillwater has in place an approved ICT charter aligned with King IV and COBIT 4, an IT governance framework and supporting toolset that bridges the gap between control requirements, technical issues and business risks, and facilitates policy development and good practice for IT control within the company.

An ICT risk governance framework and strategy incorporating organizational culture, policy and practices has been compiled with the following objectives:

- To provide strategic direction and to align ICT with the strategic and operational objectives
- To oversee the delivery of and optimise the value derived from the ICT function
- To ensure that the necessary processes are in place to effectively manage ICT risks, including the assessment of potential risks
- To ensure the effective management of ICT resources while maintaining adequate capability and infrastructure to support current and expected future ICT business requirements
- To monitor ITC performance in terms of compliance and strategic ITC objectives, including the delivery of value to the business

The King III ITC compliance schedule was updated to align with the principles of King IV. These principles include taking responsibility for governance; having an approved ICT policy in place; delegating responsibility for implementation and execution of effective technology and information management systems, and ensuring there is continuous oversight of ICT systems and processes.

Operationally, executive management, and the CFO in particular, provide high-level direction for and approve Sibanye-Stillwater's ICT strategy. Each region has an appointed ICT manager. Oversight is provided by the Audit Committee with ultimate responsibility resting with the Board.

Cyber risk is strategic rather than operational (our mines will not stop operating should the ICT systems go down with a loss of information potentially leading to regulatory penalties and reputational harm. To help mitigate this risk and enhance ICT performance, we have made significant investments (R14 million) to upgrade and redesign our ICT domain architecture. This has included integrating SAP technology and installing dedicated protection systems.

We have identified the top ICT-related risks, together with likely impacts and plans for mitigation. These risks have implications for security, individual and corporate privacy and reputation, business continuity, outsourcing and compliance. The top three ICT risks identified are:

- Cyber security threats caused by hacking and denial of service attacks, could result in the failure of our ICT systems and possible leakage of confidential business information. This could affect business continuity and thus our ability to deliver on strategic and operational objectives. Controls have been put in place to prevent and/or mitigate the consequences of a breach of our ICT systems
- Non-compliance with ICT policies and procedures. To address this risk there is focused communications on the ICT policies and procedures. An internal control framework has been established and regular monitoring of user and system compliance is undertaken to identify anomalies
- Disruptions to business continuity and/or failure to recover business information in the event of a disaster. To mitigate such an eventuality, regular and frequent back-ups are stored off-site with back-up and restore procedures in place for all critical business functions

In 2017, major accomplishments were:

- Completing the integration of the Rustenburg operations and Kroondal's human resources and financial systems into the corporate ICT infrastructure
- Establishment of a security operations centre to deliver 24/7 ICT security, time and attendance and network monitoring to the group. This is operated in conjunction with an external security centre
- Establishment of a global call centre
- Design and construction of the new Sibanye-Stillwater domain architecture and start of user migration
- Start integration of the US region's ICT infrastructure with that of the group. This is scheduled for completion by August 2018. The ICT infrastructure will be included initially in the domain infrastructure
- A "crown jewels" asset assessment was begun in order to determine and prioritise the information to be protected. This involved classifying the information stored and determining what is critical, where it is housed and in turn identifying key information systems. The information identified includes personal (human resource, medical and biographical) information as well as financial, pricing, intellectual, strategic and operational information
- A dedicated Protection of Personal Information (POPI) project is underway to review the storage and keeping of information and records, both electronically and hard copies.

Quarterly vulnerability assessments and random, independent tests by internal audit demonstrated the effectiveness of our systems in detecting hacking attacks.

Plans for 2018 include implementation of the next phase of the "crown jewels" asset assessment. This will include a business impact assessment, a review of recovery procedures, and aligning security controls with information sensitivity. In addition, should the Lonmin acquisition be approved by shareholders, work will begin on the integration of that company into Sibanye-Stillwater's ICT infrastructure.

The globalisation of Sibanye-Stillwater has led to the opportunity to implement a cloud-based ICT system, as part of the realigned strategy for a global company. Work has also begun on planning for the conversion of the corporate domain infrastructure to a cloud-based ICT system. The plan is to have transferred the US region to the cloud-based system by 2020. Cloud-based systems enable the outsourcing of data storage with safety ensured by the supplier and help to reduce the administrative burden in relation to business continuity and data recovery.

Increased user mobility and the use of mobile devices are also influencing the profile of cyber risk and will be included in forthcoming ICT planning.

CORPORATE GOVERNANCE CONTINUED

REGULATORY COMPLIANCE

Which committees have oversight:	Where else discussed in our report:
• Audit Committee	• Chief executive officer's report
• Risk Committee	• Safety and health focus
• Nominating and Governance Committee	• Housing and accommodation
• Safety and Health Committee	• Minimising our environmental impact
• Social and Ethics Committee	• Social upliftment and community development

Through the Compliance Department, led by the Compliance Officer, for the SA region, Sibanye-Stillwater subscribes to a zero-tolerance policy with regard to non-compliance with laws, regulations, supervisory and other requirements. A Compliance Officer has also been appointed for the US region.

The Compliance Department facilitates communication and education to ensure departments are aware and informed of laws, regulations, supervisory and other requirements. The Compliance Department provides continuous monitoring and assistance regarding compliance assurance activities, using a risk-based approach.

Compliance risk comprises two elements: regulatory risk and reputational risk. Regulatory risk in this context includes the penalties that Sibanye-Stillwater and its operating entities may incur if they do not comply with all defined statutory, regulatory, supervisory and other requirements. Reputational risk is risk that Sibanye-Stillwater is exposed to, for example possible loss, resulting from damages to Sibanye-Stillwater's reputation.

Compliance with legislation is the responsibility of functional departments. The Compliance Department assists by simplifying legislation and making management aware of changes or pending changes in legislation and regulations. The Compliance Department's mandate is to facilitate the management of compliance risk by means of the effective distribution of the compliance methodology, and to provide advice and guidance relating to compliance issues of a strategic nature.

The drafting of a regulatory risk profile forms part of the compliance function and follows a scientific method in terms of assessing impact and deriving a defined profile.

The compliance universe, which consists of the relevant laws, regulations, supervisory and other requirements, was utilised as a point of departure in drafting the profiles. Subsequently, 262 regulatory requirements having a bearing on Sibanye-Stillwater, were identified.

In order to get to the aggregated risk exposure value of the applicable and assessed requirements, severity and probability values had to be assessed in order to determine which of the requirements resided in the medium to high risk categories.

Compliance risk profile sessions are held with business on a bi-annual basis, and are conducted with the main objective of assigning accountability and responsibility for all relevant compliance commitments, and to furnish the business with fit for purpose regulatory risk profiles, which highlight areas of improvement, based on management self-assessments. Any non-compliance can be reported through the toll free number, 0800 001 987.

There were no material or repeated regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations in 2017. There was no new major legislation, except for developing legislation, such as:

- The Protection of Personal Information Act (to safeguard personal information)
- Cybercrimes and Cybersecurity Bill 2017 (possible loss of information that might potentially lead to regulatory penalties and reputational harm. Controls have been put in place to prevent and/or mitigate the consequences of a breach of our ICT systems)
- New Mining Charter (subject to latest negotiations)
- Carbon Tax Bill 2017 (financial impact)

Amendments to the JSE Listings Requirements included: the adoption of King IV; the new auditor accreditation model; the requirements for gender diversity and race diversity policies; a non-binding resolution on remuneration; an increase in the general authority to issue shares for cash; and the introduction of a non-renounceable rights offer.

REMUNERATION

Which committees have oversight:	Where else discussed in our report:
• Remuneration Committee	• Remuneration Report

Sibanye-Stillwater's ability to attract, motivate and retain those with the talent and skills necessary, particularly at executive and senior management levels, to enable delivery on our strategic vision in the short, medium and long term, hinges on our remuneration policy and practices. It is thus essential to motivate and reward individual, team and operational performances to enable us to deliver on our strategic objectives, with reasonably equitable remuneration underpinning our remuneration philosophy.

Detailed information on Sibanye-Stillwater's remuneration philosophy, policies and implementation of remuneration and significant developments of the past year as well as intentions of the coming year, is available in the full Remuneration Report. See also the summary of the Remuneration Committee in this corporate governance section.

ASSURANCE

Which committees have oversight:	Where else discussed in our report:
• Audit Committee	• Statement of assurance
• Risk Committee	• Approval and assurance
	• Combined assurance

Internal Audit

The internal audit function objectively and independently assures the operating effectiveness of the control environment. The Vice President Internal Audit is independent and reports into the Audit Committee Chair. The department predominantly utilises in house resources to perform its internal audits. A risk based internal audit plan that was linked to the combined assurance approach was used during the year. This ensured that there was adequate co-ordination of internal and external audit assurances over the strategic and material issues in the company. Reporting to the Audit Committee was done on a quarterly basis and the Vice President Internal Audit met with the Audit Committee in private on a quarterly basis.

The independence and conformance to the Institute of Internal Auditors Professional Practices Framework, Standards and Ethics was externally assessed during 2017. No adverse findings were raised and the internal audit department received a Generally Compliant rating which is the highest rating that can be bestowed on an Internal Audit function.

RELATIONSHIPS AND CORPORATE CITIZENSHIP

Which committees have oversight:	Where else discussed in our report:
• Social and Ethics Committee	• Stakeholder engagement
• Safety and Health Committee	• Social and community upliftment
	• Superior value for our workforce
	• Safety and health focus
	• Minimising our environmental impact

For further information on Sibanye-Stillwater's activities relating to its relationships with stakeholders and its role as a corporate citizen, please see *Managing our material risks*, which includes a discussion on stakeholder engagement as well as *Social upliftment and community development*.

REMUNERATION REPORT

Sibanye-Stillwater's remuneration report has been structured in three parts, in line with King IV. This report comprises a background statement; an overview of the main provisions of the remuneration policy; and an implementation section containing details of remuneration awarded to individual members of the Board and Group Executive Committee members during the reporting period.

The year 2017 was noteworthy due to the transformation of Sibanye-Stillwater from a gold and platinum producer with an exclusively South African production footprint into an international precious metals operator with operations across two continents. These significant changes, and the consequent Group leadership reorganisation, resulted in a need for considerable adjustment to the associated remuneration practices. In particular, a revision of Group remuneration policies to accommodate employment across multiple jurisdictions was required.

PART 1: REPORT FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

The terms of reference of the remuneration committee were reviewed and changed during 2017 to ensure compliance with the King IV governance framework. The previous terms of reference were already largely compliant to King IV.

The Remuneration Committee supports the Board in discharging its responsibilities for setting and administering remuneration policies in alignment with the Company's long-term interests. The Remuneration Committee is responsible for, inter alia:

- Considering and recommending remuneration policies for all employment levels in the Company with a particular focus on the remuneration of Sibanye-Stillwater's Executive Directors and the Group Executive Committee ("Group EXCO"). The approved remuneration policies are reported in Sibanye-Stillwater's Integrated Annual Report in accordance with applicable rules and regulations.
- Advising the Board on the remuneration policy of Sibanye-Stillwater in respect of Executive Directors and Group EXCO members and recommending the remuneration payable and conditions of employment to be offered by Sibanye-Stillwater to its Executive Directors and Group EXCO members.
- Acting in accordance with the authority delegated by the Board, as recorded in its terms of reference (available at https://www.sibanyestillwater.com/about-us/corporate-governance), and is accountable to the Board. To this end the Committee must make recommendations for approval by the Board.

Specific material matters attended to by the Remuneration Committee during 2017 pertained to addressing the effects of the transformation of Sibanye-Stillwater, and the associated implications for the company's executive leadership. Following the acquisition of Stillwater Mining Company, the company's organisational structure was revised to a regional structure with accountability for the delivery of safe production targets delegated to two regional Executive Committees, with central support and strategic development and delivery being the responsibility of the Group Executive Committee.

With due consideration of the significant organisational changes, the Remuneration Committee, supported by independent advice from an external consultant, PwC, reviewed the market parity of executive remuneration against an updated benchmark group of peer companies, in order to ensure appropriate remuneration of Executive Directors and Group Executive Committee members.

The Remuneration Committee is satisfied that the remuneration level and target remuneration mix for Executive Directors and Group Executive Committee members is fair, based on recommendations from an independent reputable source and is appropriately benchmarked to the markets in which Sibanye-Stillwater operates.

A revised senior management incentive plan was approved for use in future cycles effective from the 2018 cycle. While similar to previous plans and honouring the company's remuneration philosophy and principles, the revised plan caters for alignment with remuneration norms in the United States and provides for customisation of short-term operational delivery targets to reflect the strategic imperatives across different territories and different commodities being produced. The Remuneration Committee is satisfied that remuneration paid is appropriately linked to the performance of the company through the implementation of these arrangements.

Approval was obtained from shareholders at the 2017 Annual General Meeting for the establishment of the 2017 Share Plan providing for a maximum of 40,000,000 new shares to be issued. The plan was approved with 91.9% of the voted shares in favour. The share capital approved for issue under the 2017 Share Plan represents only 1.8% of the company's issued share capital following the successful execution of the company's fully subscribed rights offer in June 2017, and is therefore not sustainable without the authorisation to issue shares being increased to a proposed level of 86,748,850, which is to be requested at the forthcoming Annual General Meeting.

To align with King IV, shareholders will also be afforded the opportunity to pass two separate non-binding advisory votes, one on the policy report and the other on the implementation report. In the event that either or both have been voted against by 25% or more of the voting rights exercised by shareholders, the company commits to implement measures including engagement with dissenting shareholders and publication of how the objections and concerns will be addressed. In 2017, 96.8% of shares voted were in favour of the advisory endorsement of the company's remuneration policy.

The Remuneration Committee is tasked with ensuring appropriate remuneration to retain and reward performance of management, taking into account various internal and external factors which affect the performance. The Remuneration Committee is satisfied that Sibanye-Stillwater's remuneration policies are fair, responsible and transparent, and promote delivery on the company's long-term strategic objectives as well as attainment of more specific short-, medium- and long-term targets.

The drivers of incentive pay are structured to secure an effective balance between delivery of shorter term value and securing sustainability and growth in the longer term through an appropriate mix of delivery against operational and strategic targets. In addition, relative returns delivered on the stock market are a significant factor in determining incentives, in order to promote alignment with long-term investors in the company.

Central to both the short- and long-term reward design is a focus on responsible, sustainable outcomes while actively discouraging excessive risk taking. The overall framework promotes responsible management of the business with a measured appetite for considered strategic risk. On balance, the Remuneration Committee considers that the remuneration policies provide strong alignment between remuneration and the delivery of key performance indicators as well as consistent and sustained shareholder value over a meaningful time frame.

With the above in mind, the Remuneration Committee has been structured as an independent committee which provides appropriate review and oversight in a transparent manner with the use of independent experts as and when required. The Remuneration Committee is comprised of Independent Non-Executive Directors and retains objectivity and independence from management in its decision making.

The Remuneration Committee is satisfied that Sibanye-Stillwater has, throughout the 2017 year, complied with its Remuneration Policy and no deviations have been noted.

PART 2: REMUNERATION PHILOSOPHY, POLICY AND FRAMEWORK

Through its remuneration philosophy, Sibanye–Stillwater seeks to attract and retain key talent and ensure that the Group is viewed both by current and prospective leaders as an organisation that provides a positive performance environment, a workplace with upstanding ethics and morals and an opportunity to earn a good living. From a retention perspective, key consideration and focus are placed upon the enablement of individual growth, compelling career development and enhancement, as well as a reasonable work-life balance.

Sibanye-Stillwater's remuneration policies and practices are market competitive to enable the attraction, retention and motivation of talented and skilled people especially at executive and senior management levels, to enable the company to deliver on its core purpose, vision and strategy. Our remuneration structures are annually benchmarked against relevant peer groups on a territory specific basis to ensure reasonable external parity and a competitive total remuneration potential.

The key principles underpinning Sibanye-Stillwater's remuneration approach are to:

- support the execution of the Group's business strategy by providing rewards that attract, motivate and retain talent and skills necessary for Sibanye-Stillwater to deliver on its strategic vision, particularly at executive and senior management levels
- promote sustained achievement of strategic objectives and positive outcomes in the short, medium and long term
- progressively reduce excessive historical income disparities across employment levels
- facilitate the deployment of people, as necessary, across the Group's operations
- disclose information on the company's remuneration practice meaningfully and transparently, such that shareholders and other stakeholders are in a position to make an informed assessment of the company's remuneration policy and implementation practice

REMUNERATION ELEMENTS

Sibanye-Stillwater's remuneration structure includes the following elements:

Pay element	Description	Alignment to remuneration philosophy
Guaranteed remuneration	Base salary and allowances including provision for medical and retirement	Market median guaranteed pay providing the foundational element of the remuneration mix
Cash bonus (short-term incentive (STI))	Annual incentive payment based on a combination of operational delivery and execution of approved business strategy	Performance-based reward providing immediate recognition for superior performance
Forfeitable shares (retention element of STI)	Deferred component of annual incentive with exposure to share price appreciation over a medium-term time frame	Retention-based on recent historical performance that incorporates alignment with delivery of value to shareholders through share price exposure
Conditional shares (long-term incentive)	Long-term incentive linked to recent personal and organisational performance, primarily rewarding sustained delivery of superior shareholder value	Retention with a strong performance component rewarding sustained delivery by the company of superior shareholder value over the long term

REMUNERATION REPORT CONTINUED

TARGET REMUNERATION MIX

The company's policy provides for the following remuneration mix for management for on-target performance. In line with the scope and influence of each level of management, there is a progressive increase in the weighting towards long-term incentives with an emphasis on delivery of sustained value to shareholders at the more senior levels. The value of forfeitable share awards in the target remuneration mix is the value at award date without the impact of potential share appreciation over the vesting periods. The value of the conditional shares in the target remuneration mix is determined at the expected "fair value" of the on target award that accounts for projected market movement and level of the performance condition that is expected to apply on vesting.

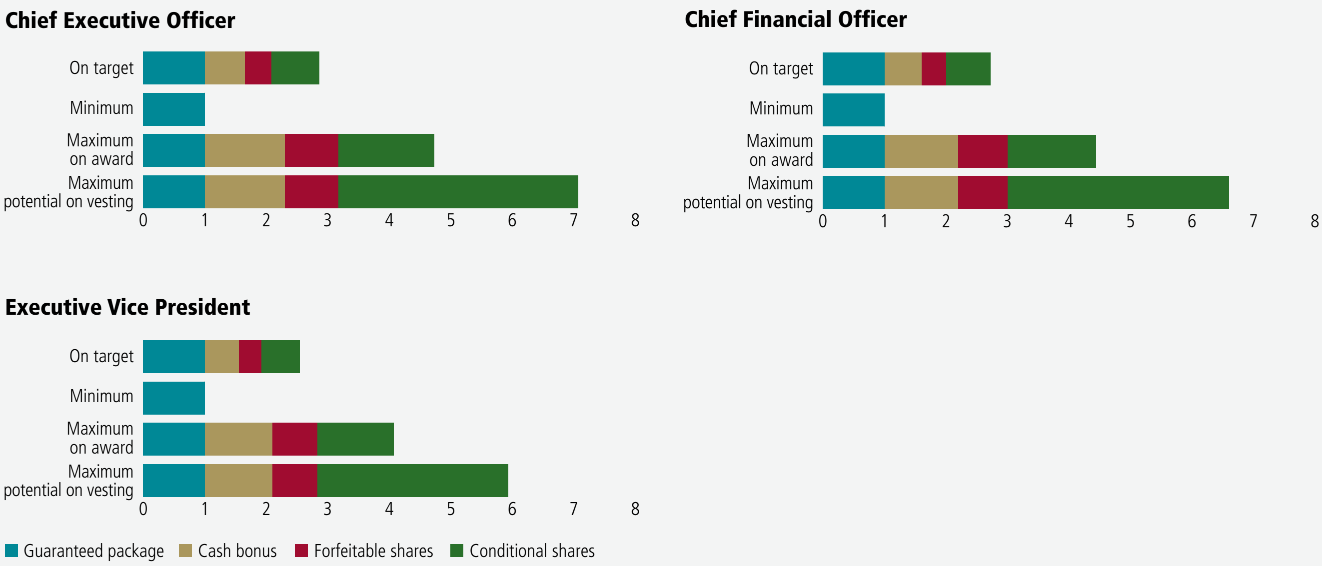
Remuneration structure mix (% of total potential remuneration)

Role	Guaranteed pay	Cash bonus	Forfeitable shares	Conditional shares	Total
Chief Executive Officer	34.9	22.7	15.1	27.2	**100.0**
Chief Financial Officer	36.8	22.1	14.7	26.5	**100.0**
Executive Vice President (or prescribed officer)	39.4	21.7	14.5	24.4	**100.0**
Senior Vice President	41.1	20.5	13.7	24.7	**100.0**
Vice President – SA-based	46.6	18.6	12.4	22.4	**100.0**
Vice President – US-based	54.7	21.9	14.6	8.8	**100.0**
E lower	62.5	37.5	0.0	0.0	**100.0**
D upper	66.7	33.3	0.0	0.0	**100.0**
D lower	71.4	28.6	0.0	0.0	**100.0**

COMPOSITION OF TOTAL REMUNERATION PACKAGE – EXECUTIVE DIRECTORS AND SENIOR EXECUTIVES

The range of potential incentive pay per rand of guaranteed pay is illustrated below for the Executive Directors and Prescribed Officers who are considered to constitute executive management as per King IV. The "maximum on award" represents the implications of the highest possible performance rating from the previous performance cycle with fair value of the conditional shares awarded over the vesting period. Maximum potential on vesting represents maximum awards with the highest possible performance condition applied to the conditional shares at vesting although not incorporating the possible effects of share price appreciation over the vesting period.

Range of performance related pay



GUARANTEED REMUNERATION

The benchmark utilised for determining guaranteed remuneration by job level and discipline is a market median level obtained through independent remuneration survey databases for peer mining companies with differentiation by territory. For such purpose, the Company made use of peer group and survey data supplied by Mercer for the US region and PwC for the SA region, backed by independent advice and support from external consultants. Guaranteed remuneration levels are reviewed annually against market benchmarks to remain competitive with sustained high performance individuals warranting a target guaranteed remuneration up to and around the 75th percentile of the market.

PERFORMANCE-BASED INCENTIVES

Short- and long-term incentives are based on the achievement of specific performance targets, which include key operational and strategic indicators (KPIs). These are aligned with the Company's strategic objectives as well as the delivery of shareholder value through linkage with shareholder returns.

REMUNERATION REPORT CONTINUED

SHORT-TERM CASH BONUS

Short-term incentives are awarded following assessment of the annual performance of the operating unit or area of accountability against targets as well as the individual performance goals achieved during the year under review. Factors assessed include delivery of operational results in line with the Group's plan as provided by the Board, as well as performance against the targets as set out in individual performance contracts. If stretch targets are achieved, the maximum cash bonus is capped at twice the on-target bonus percentage, with no bonus applicable for performance that falls below the indicated threshold levels.

The Remuneration Committee approves, at the start of each performance cycle, the key performance indicators, target performance levels and ranges that will be used to determine the quality of the company's delivery from operations. Overall Group operational delivery is a weighted aggregate of the performance of the major operating areas of the business. The Remuneration Committee and the Audit Committee also approve respectively the individual scorecards of the CEO and the CFO that reflect strategic business imperatives for the company. In turn, the CEO develops specific individual objectives, aligned with the organisation's strategic objectives, with those who report directly to him (executive management) at the beginning of each year. On conclusion of each cycle, the committee reviews the performance determinations of the Executive Directors and executive management as the basis of approving short-term incentive payments and long-term incentive awards.

The table below details the 2018 KPIs for the key focus areas for each major operating area within Sibanye-Stillwater.

KPIs for 2018 per major operating area

KPI	Weight	Metric	Weight
SA REGION (81% CONTRIBUTION TO GROUP)			
Gold operations (51% contribution to SA region)			
Safety	**25%**	FIFR per million hours worked	**50%**
		SIFR per million hours worked	**50%**
Production	**30%**	Gold produced (kg)	**100%**
Costs	**30%**	Operating cost per tonne milled from underground (R/tonne)	**100%**
Sustainability	**15%**	Primary on-reef development (including Burnstone) (m)	**50%**
		Primary off-reef development (including Burnstone) (m)	**50%**
PGM operations (49% contribution to SA region)			
Safety	**25%**	Number of fatal injuries	**50%**
		SIFR per million hours worked	**50%**
Production	**30%**	Ounces produced ('000 4E oz)	**100%**
Costs	**30%**	Operating cost including Ore Reserve development before credits and direct costs of by-product per 4E ounce produced (R/4E oz)	**100%**
Sustainability	**15%**	Primary on-reef development (m)	**50%**
		Primary off-reef development (m)	**50%**
US REGION (19% CONTRIBUTION TO GROUP)			
Safety	**25%**	AIFR rate per 200,000 hours worked	**100%**
Production	**25%**	Returnable 2E PGM produced ('000 oz)	**50%**
		Tonnes milled ('000 tonnes)	**50%**
Costs	**25%**	All-in sustaining cost ($/2E oz)	**75%**
		Recycling operations EBITDA ($ million)	**25%**
Sustainability	**25%**	Linear development (including Blitz capital development) ('000ft)	**25%**
		Diamond drilling ('000ft)	**25%**
		Blitz ventilation raise completion date	**25%**
		Blitz TBM/Benbow/56E combined linear development ('000ft)	**12.5%**
		Stillwater Water Treatment Project completion date	**12.5%**

LONG-TERM INCENTIVES – CONDITIONAL SHARE AWARDS

Forfeitable Shares and Conditional Shares are awarded to Vice President and above employees providing a combination of retention and alignment with delivery of value to shareholders. Both categories of share are subject to the conditions in the Sibanye 2017 Share Plan, the salient features of which were set out in the notice of Sibanye-Stillwater's Annual General Meeting of 2017, which is available on the Sibanye-Stillwater website, www.sibanyestillwater.com.

The face value of the Forfeitable Share award is two-thirds of the annual cash incentive and is allocated in the form of restricted forfeitable shares. The Forfeitable Shares vest in two equal tranches at nine months and eighteen months from the award date.

The value of Conditional Shares awarded to an employee is based on the employee's annual guaranteed remuneration and grade combined with a factor related to their assessed performance for the relevant period. The award represents the maximum number of shares that may vest at the scheduled vesting on the third anniversary of the award date dependent on the extent to which the performance conditions have been met - which are designed to be aligned to shareholders' interests.

The awards of both Forfeitable and Conditional Shares are forfeited in the event of resignation or termination for cause, with a pro rata vesting applicable in the case of no-fault separations.

Based on concerns that had been expressed by investors relating to the performance conditions previously applicable to the vesting of Conditional Shares, these were substantially amended with effect from the March 2016 awards of Conditional Shares. The proportion of shares awarded that vest now depends on the extent to which Sibanye-Stillwater has performed over the intervening three year period relative to two performance criteria – total shareholder return and return on capital employed. These are widely accepted measures that reflect the extent to which shareholder interests are being met. The vesting percentage ranges from 0% to 100% of the shares awarded.

At the last Annual General Meeting in May 2017, 96.8% of shares voted were in favour of the Company's remuneration practices, which is reflective of general satisfaction with the updated performance conditions.

Total shareholder return – applicable to 70% of the Conditional Shares awarded

Total shareholder return (TSR), which is a composite measure of share price appreciation and dividends paid to shareholders, is widely recognised as one of the most appropriate indicators of shareholder value delivery. It is used extensively internationally and increasingly in South Africa, sometimes as a single metric and often as one of two or three weighted performance metrics. In a few cases an absolute target is set, but most often it is targeted in relation to a peer or comparator group of "like" companies.

TSR is measured against an appropriate peer group of eight mining and resource companies that might provide alternative investment options to Sibanye-Stillwater's shareholders. The eight peer comparator companies for TSR comprise similar market capitalisation companies that occupy similar strategic positioning to Sibanye-Stillwater as value driven multi-commodity resources companies listed on the JSE with a primary focus on precious metals, as set out below:

Peer companies for TSR comparison
African Rainbow Minerals Limited
Anglo American Platinum Limited
AngloGold Ashanti Limited
Exxaro Resources Limited
Gold Fields Limited
Harmony Gold Mining Company Limited
Impala Platinum Holdings Limited
Northam Platinum Limited

The performance condition is determined based on the cumulative curve of the peer company TSRs over the vesting period that assigns each peer company a weighting in accordance with its market capitalisation. The percentile at which Sibanye-Stillwater's TSR falls on this curve is determined. Based on this percentile, the percentage of awarded shares that will vest is determined using the table below, with linear interpolation between the levels quoted.

REMUNERATION REPORT CONTINUED

Vesting percentage relationship to relative TSR performance

Percentile on peer group TSR curve	% vesting
0%	**0**
10%	**0**
20%	**0**
30%	**5**
40%	**20**
50%	**35**
60%	**55**
70%	**75**
80%	**90**
90%	**100**
100%	**100**

Return on capital employed – applicable to 30% of the Conditional Shares awarded

Return on capital employed (ROCE) is a metric that measures how effectively a company generates profits from its capital employed. There is an increased focus on measuring the returns earned by businesses on the capital investment deployed over and above the steady low risk returns typically available on financial markets. For Sibanye-Stillwater, ROCE is evaluated against the cost of capital (K_e), which includes an equity risk premium over the risk free rate. A minimum threshold on the performance scale for ROCE is set as equalling the cost of capital, K_e, which would lead to 0% for the ROCE performance condition. Delivering a return that exceeds K_e by 6% or more would be regarded as a superior return representing the maximum 100% on the performance scale and full vesting in respect of the ROCE element. The performance curve governing vesting is linear between these limits as follows:

Vesting percentage relative to ROCE outcomes

ROCE element of performance condition (30%) Annual ROCE	% vesting
$\leq K_e$	**0**
$K_e + 1\%$	**16.7**
$K_e + 2\%$	**33.3**
$K_e + 3\%$	**50.0**
$K_e + 4\%$	**66.7**
$K_e + 5\%$	**83.3**
$K_e + 6\%$	**100**

ESG over-ride

Should the board determine that there is evidence of material and significant environmental, social and governance (ESG) malpractice during the vesting period for Conditional Shares, up to 20% of the Conditional Shares that would otherwise vest may be forfeited. No ESG over-ride was warranted in the case of the early pro rata vestings that have already taken place in respect of no fault separations by participants.

As indicated, the performance criteria described above govern vesting of all awards effective from March 2016, with the first scheduled vesting under these performance criteria taking place in March 2019. Should any further adjustment be made they will govern future awards, but will not be applied retrospectively.

NON-EXECUTIVE DIRECTOR FEES

In terms of Sibanye-Stillwater's Memorandum of Incorporation, the fees for the services of Non-Executive Directors are determined by the Company's shareholders at a general meeting. Updated Non-Executive Director fees were set effective from 1 June 2017 at the 2017 Annual General Meeting with 99.5% of the shares voted cast in favour of the updated schedule of fees. The revised fees, which are detailed overleaf and are paid monthly, represented a 6.6% inflationary increase, which was in line with changes in the South African CPI over the previous year, although the nominal increases were at a higher level to accommodate the implications of changes in VAT legislation.

Non-executive director fees

	2016 Annual fees (without provision for VAT liabilities)	2017 Annual fees (including provision for VAT liabilities)
Chairman of the Board	R1,653,750	R2,009,703
Chairman of the Audit Committee	R316,418	R384,524
Chairmen of the Nominating and Governance Committee, Risk Committee, Remuneration Committee, Social and Ethics Committee and Safety and Health Committee (excluding the Chairman of the Board)	R195,143	R237,146
Members of the Board (excluding the Chairman of the Board)	R874,283	R1,062,464
Members of the Audit Committee (excluding the Chairman of the Board)	R164,273	R199,631
Members of the Nominating and Governance Committee, Risk Committee, Remuneration Committee, Social and Ethics Committee, and Safety and Health Committee (excluding the Chairman of the Board)	R123,480	R150,058

EXECUTIVE DIRECTORS' CONTRACTS OF EMPLOYMENT

The employment of an executive director will continue until terminated upon (i) 24 or 12 months' notice by either party for the CEO and CFO, respectively, or (ii) retirement of the relevant executive director (currently provided for at age 65 in the contract). Sibanye-Stillwater can also terminate the executive director's employment summarily for any reason recognised by law as justifying summary termination.

Except for the two current executive directors, none of the prescribed officers have entered into employment contracts that provide for any compensation for severance because of "change of control".

The service agreements of the two current executive directors contain "change of control" conditions, which are set out for information below. These contracts and conditions will be honoured until they terminate. However, any future appointments of executive directors will be made without provision for any compensation for severance because of "change of control".

The employment contracts for the two current executive directors provide that, in the event of the relevant executive director's employment being terminated solely as a result of a "change of control" as defined below, within 12 months of the "change of control", the executive director is entitled to:

- payment of an amount equal to twice his gross remuneration package, or two and a half times in the case of the CEO
- payment of an amount equal to the average of the incentive bonuses paid to the executive director during the previous two completed financial years
- any other payments and/or benefits due under the contracts
- payment of any annual incentive bonus he has earned during the financial year notwithstanding that the financial year is incomplete
- an entitlement to awards, in terms of the Sibanye Gold Limited Incentive Scheme, shall accelerate on the date of termination of employment and settle with the full number of shares previously awarded. The employment contracts further provide that these payments cover any compensation or damages the executive director may have under any applicable employment legislation

A "change of control" for the above is defined as the acquisition by a third party or concerned parties of 30% or more of Sibanye ordinary shares. In the event of the consummation of an acquisition, merger, consolidation, scheme of arrangement or other reorganisation, whether or not there is a change of control, if the executive director's services are terminated, the "change of control" provisions summarised above also apply.

REMUNERATION REPORT CONTINUED

PART 3: IMPLEMENTATION OF SIBANYE-STILLWATER'S REMUNERATION POLICY – 2017

For the year ended 31 December 2017, the Group performance used for determining short-term incentives was determined using the following matrix for operational delivery from Sibanye-Stillwater's major operating areas, with the rating based on where actual performance fell between the threshold, on target and maximum levels

KPI	Weighting	Parameter	Sub-weight	Threshold (0%)	On target (100%)	Maximum (200%)	Achieved	Rating (%)
SA REGION (85% CONTRIBUTION TO GROUP)								
SA gold operations (63% contribution to SA region)								
Safety	15%	FIFR (per million hours)	50%	0.108	0.097	0.092	**0.086**	200.0
		SIFR (per million hours)	50%	4.42	3.98	3.76	**4.12**	67.9
Volume	15%	Primary on-reef development (m)	25%	11,127	13,090	13,745	**9,994**	0.0
		Primary off-reef development (m)	25%	34,110	40,130	42,136	**38,274**	69.2
		Area mined (000m²)	50%	1,033	1,216	1,276	**1,118**	46.7
Cost	20%	Operating cost per underground tonne milled (R/tonne)	100%	2,071	1,801	1,711	**2,112**	0.0
Quality	20%	Gold produced (kg)	100%	39,178	46,092	48,397	**43,633**	64.4
							Overall SA gold operations	**55.8**
SA PGM operations (37% contribution to SA region)								
Safety	15%	FIFR (per million man hours)	50%	0.11	0.099	0.094	**0.036**	200.0
		SIFR (per million man hours)	50%	3.04	2.74	2.58	**2.59**	197.4
Volume	15%	Primary on-reef development (m)	25%	15,853	18,651	19,584	**19,504**	191.5
		Primary off-reef development (m)	25%	10,247	12,055	12,658	**15,602**	200.0
		Area mined (000m²)	50%	1,796	2,113	2,219	**2,211**	192.9
Cost	20%	Operating cost per 4E oz (R/oz)	100%	13,162	11,445	10,873	**10,755**	200.0
Quality	20%	4E production ('000 oz)	100%	1,035	1,217	1,278	**1,313**	200.0
							Overall SA PGM operations	**198.5**
							Overall SA region	**108.6**
US REGION (15% CONTRIBUTION TO GROUP)								
Safety	15%	All injury frequency rate (with contractors per 200 000 man hours)	75%	2.47	2.29	2.23	**2.61**	0.0
		Number of MSHA significant and substantial citations per month	25%	4.22	3.67	3.48	**4**	40.0
Volume	15%	Total development (excl Blitz) (ft)	50%	34,779	40,916	42,962	**38,883**	66.9
		Decline and drive capital development (Benbow, TBM and 56E) at Blitz (ft)	25%	6,157	7,243	7,605	**4,681**	0.0
		Month of first production ounces from Blitz	25%	December	November	October	**September**	200.0
Cost	20%	All-in sustaining cost per mined ounce (excl recycling credits) ($/2Eoz)	75%	736	640	608	**651**	88.5
		Metallurgical complex costs, $/tonne of concentrate+catalyst fed	25%	1,191	1,036	984	**985**	198.5
Quality	20%	2E mine production (concentrator output shipped to refinery) ('000 oz)	75%	327.3	385	404.3	**376.4**	85.0
		Recycling throughput (US tonne/day)	25%	20.4	24	25.2	**26.7**	200.0
							Overall US region	**85.7**
							Sibanye-Stillwater	**105.2**

The percentage achieved for each metric is based on the actual result compared with the set targets. If the target is achieved, a rating of 100% is assigned. At worse than threshold, the rating is 0%, up to a maximum rating of 200% at better than maximum. At actual performance between the defined levels, the bonus is proportionally calculated on a linear scale

EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS' REMUNERATION

In the current cycle, certain changes have been made to the reporting practice for executive remuneration in the interests of improved clarity and transparency and to align with the expected protocols under King IV. Two perspectives are provided, the first being a Single Total Figure of Remuneration that reflects earnings attributable to the performance delivered during the relevant cycle, and the second being earnings received by each incumbent during the cycle.

In previous remuneration reports, only the short-term cash incentive was reported on an accrued basis with forfeitable and conditional shares reported in the year that they vested to the participant. In the current report, both the short-term cash incentive and forfeitable share awards, which are in proportion to the cash incentive with deferred vesting, are reported on an accrued basis in the Single Total Figure of Remuneration. Conditional shares continue to be reported on vesting. To determine cash earnings in the cycle, the accruals are removed with accruals from previous cycles being added back in. Market movements on equity settled instruments are superimposed. This has required the restatement of executive remuneration for the 2016 cycle for comparison purposes.

Remuneration paid to Sibanye-Stillwater Executive Directors and Prescribed Officers for the year ended 31 December 2017

2017 (R000)													
	Salary	Pension scheme total contributions	Cash bonus accrued	Accrual of Forfeitable Share award	Special cash bonus accrued	Conditional Share proceeds	Other benefits	Termination/separation benefits	Total single figure of remuneration	Less: Amounts accrued not settled in 2017	Plus: Amount of previous accruals settled in 2017	Adjustments for market movements on accruals settled	Total cash remuneration
Executive directors													
Neal Froneman	10,265	1,103	9,418	6,278	5,741	22,775	174	–	**55,754**	(21,437)	7,460	(1,809)	**39,968**
Charl Keyter	5,501	758	4,614	3,076	3,160	7,834	35	–	**24,978**	(10,850)	3,753	(919)	**16,962**
Prescribed officers													
Hartley Dikgale	3,749	258	2,291	1,528	–	4,455	–	–	**12,281**	(3,819)	2,130	(480)	**10,112**
Dawie Mostert	3,634	496	2,578	1,718	–	4,495	–	–	**12,921**	(4,296)	2,242	(521)	**10,346**
Themba Nkosi	3,509	276	2,372	1,582	–	–	–	–	**7,739**	(3,954)	1,636	(180)	**5,241**
Wayne Robinson	4,287	348	2,328	1,552	–	1,295	–	–	**9,810**	(3,880)	2,474	(602)	**7,802**
Richard Stewart	3,731	414	2,829	1,886	2,096	1,045	–	–	**12,001**	(6,811)	2,360	(551)	**6,999**
Robert van Niekerk	4,517	489	4,492	2,995	–	6,540	–	–	**19,033**	(7,487)	2,875	(686)	**13,735**
John Wallington [1]	1,772	313	1,309	872	–	–	–	–	**4,266**	(2,181)	1,264	–	**3,349**
Chris Bateman [2]	4,023	148	2,628	1,743	–	–	483	–	**9,025**	(4,372)	–	–	**4,653**
Total	**44,988**	**4,603**	**34,859**	**23,230**	**10,997**	**48,439**	**692**	**–**	**167,808**	**(69,087)**	**26,194**	**(5,748)**	**119,167**

[1] Ceased being a Prescribed Officer on 30 June 2017

[2] Became a Prescribed Officer on 1 July 2017. Remuneration paid in US dollars was converted at the average exchange rate of R13.41/US$ for the six-month period ending 31 December 2017

REMUNERATION REPORT CONTINUED

The corresponding information for the period ended 31 December 2016 is presented below:

2016 (R000)	Salary	Pension scheme total contributions	Cash bonus accrued	Accrual of Forfeitable Shares award	Conditional Share proceeds	Other benefits	Termination/separation benefits	Total single figure of remuneration	Less: Amounts accrued	Plus: Amount of previous period accruals settled during 2016	Adjustments for market movements on accruals settled	Total cash remuneration
Executive directors												
Neal Froneman	7,769	863	4,180	2,787	91,138	135	–	**106,872**	(6,967)	9,257	(1,377)	**107,785**
Charl Keyter	4,234	605	2,090	1,394	18,052	91	–	**26,466**	(3,484)	4,638	(687)	**26,933**
Prescribed officers												
Hartley Dikgale	2,802	187	1,245	830	6,094	–	–	**11,158**	(2,075)	2,310	(344)	**11,049**
Dawie Mostert	2,870	361	1,288	859	6,336	–	–	**11,714**	(2,147)	2,578	(392)	**11,753**
Jean Nel [3]	3,460	–	1,622	–	–	–	–	**5,082**	(1,622)	–	–	**3,460**
Themba Nkosi [4]	1,549	175	1,227	818	–	–	–	**3,769**	(2,045)	–	–	**1,724**
Wayne Robinson	3,679	298	1,365	910	–	–	–	**6,252**	(2,275)	3,111	(463)	**6,625**
Richard Stewart	3,033	337	1,352	902	–	–	–	**5,624**	(2,254)	2,646	(391)	**5625**
Robert van Niekerk	3,800	422	1,626	1,084	15,085	–	–	**22,017**	(2,710)	3,478	(518)	**22,267**
John Wallington [5]	3,117	550	1,264	842	–	–	–	**5,773**	(2,106)	–	–	**3,667**
Total	**36,313**	**3,798**	**17,259**	**10,426**	**136,705**	**226**	**–**	**204,727**	**(27,685)**	**28,018**	**(4,172)**	**200,888**

[3] Became a prescribed officer on 13 April 2016 and ceased being a prescribed officer on 1 November 2016

[4] Became a Prescribed Officer on 4 July 2016

[5] Became a Prescribed Officer on 1 February 2016

EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS' EQUITY-SETTLED INSTRUMENTS

The Executive Directors and Prescribed Officers of Sibanye-Stillwater held the following equity-settled instruments, in the form of Conditional and Forfeitable Shares, through the Sibanye 2013 and 2017 Share Plans as at 31 December 2017. These holdings do not reflect any shareholdings held by them in a private capacity.

The equity-settled instruments exercised by executive managers during 2017 comprised the eighteen month vesting tranche of forfeitable shares awarded on 1 March 2016, the nine month vesting tranche of Forfeitable shares awarded on 1 March 2017 and the three year vesting of Conditional shares awarded on 3 March 2014.

The performance condition applicable to the vesting of the Conditional Shares was determined through consideration of Sibanye-Stillwater's ranking among a peer group comprising Harmony and Pan African based on average daily share price appreciation over the vesting period. That performance condition remained applicable to the March 2014 awards despite it being replaced with effect from the March 2016 awards with a more robust performance condition that reflected Sibanye-Stillwater's revised market positioning and better addressed emerging shareholder expectations. Sibanye-Stillwater's performance was the best among the peers with an average daily share price appreciation of 0.082% compared to Harmony with 0.067% and Pan African with 0.050%. As a result, the approved arrangement for performance on the Conditional Shares that vested in March 2017 resulted in an additional performance award equal to the original award.

Certain capitalisation events during the course of 2017 triggered additional awards to participants on shares that remained unvested when those events took place. In accordance with the rules of the relevant share plans, the additional awards maintain the value to the participant of unvested awards. The rights issue of May 2017 resulted in supplementary awards on 23 May 2017 only in respect of unvested awards of conditional shares. Since the participants holding unvested forfeitable shares already hold the right to exercise the rights associated with those shares in the event of a rights offer, the share plan rules do not provide for additional awards on unvested forfeitable shares under these circumstances. The capitalisation issue of October 2017 resulted in capitalisation awards on 6 October 2017 in respect of all unvested awards of both forfeitable and conditional shares. All of the additional awards were made on the identical terms to the corresponding primary award, including the scheduled vesting date and, in the case of conditional shares, the performance period and the performance condition applicable on vesting. The supplementary and capitalisation awards are reflected against the corresponding primary award.

In line with the updated disclosure of equity settled instruments, both the face value and fair value of share awards is presented. The "face value at award date" represents the value of the full number of awarded shares determined at the ruling market price at the time of the award. The "fair value at award date" moderates this value by taking into account the projected market movement of the share price over the vesting period and, in the case of conditional shares, the level of the performance condition that would be expected to arise at the end of the vesting period. This value is determined through application of an actuarial model based on market conditions at the award date. The "fair value at 31 December 2017" is the result of performing the equivalent calculation updated to take into account market conditions at 31 December 2017.

The fair value of the primary award at the award date was unaffected by any of the performance, supplementary and capitalisation awards as the performance condition on vesting is taken into account in the determination of fair value and both the supplementary and capitalisation awards are set at a level that preserves the value of the original award.

Share equity summary

	Award date	Award price	Vesting date	Equity-settled instruments at 31 December 2016	Number of shares awarded during 2017 inclusive of performance, supplementary and capitalisation awards	Equity-settled instruments forfeited during 2017	Equity-settled instruments exercised during 2017	Equity-settled instruments at 31 December 2017	Face value at award date (R000)	Fair value at award date (R000)	Fair value at 31 December 2017 (R000)
EXECUTIVE DIRECTORS											
Neal Froneman	**Conditional Share Awards**										
	3 March 2014	R0.00	3 March 2017	453,142	453,142	–	906,284	–	9,851	17,496	–
	2 March 2015	R0.00	2 March 2018	346,961	190,154	–	–	537,115	10,400	12,983	7,144
	1 March 2016	R0.00	1 March 2019	587,890	322,196	–	–	910,086	33,166	12,540	4,914
	1 March 2017	R0.00	1 March 2020	–	2,011,752	–	–	2,011,752	35,716	31,280	20,359
	Forfeitable Share Awards										
	1 March 2016	R0.00	1 September 2017	33,441	–	–	33,441	–	1,887	1,886	–
	1 March 2017	R0.00	1 December 2017	–	51,715	–	51,715	–	1,393	1,285	–
	1 March 2017	R0.00	1 September 2018	–	51,716	–	–	51,716	1,393	1,248	816
Total				**1,421,434**	**3,080,675**	**–**	**991,440**	**3,510,669**	**93,806**	**78,717**	**33,233**
Charl Keyter	**Conditional Share Awards**										
	3 March 2014	R0.00	3 March 2017	155,860	155,860	–	311,720	–	3,388	6,018	–
	2 March 2015	R0.00	2 March 2018	158,253	86,732	–	–	244,985	4,744	5,922	3,258
	1 March 2016	R0.00	1 March 2019	267,135	146,405	–	–	413,540	15,070	5,698	2,233
	1 March 2017	R0.00	1 March 2020	–	1,019,482	–	–	1,019,482	18,099	15,851	10,317
	Forfeitable Share Awards										
	1 March 2016	R0.00	1 September 2017	17,112	–	–	17,112	–	965	965	–
	1 March 2017	R0.00	1 December 2017	–	25,861	–	25,861	–	697	642	–
	1 March 2017	R0.00	1 September 2018	–	25,861	–	–	25,861	697	624	408
Total				**598,360**	**1,460,201**	**–**	**354,693**	**1,703,868**	**43,661**	**35,721**	**16,217**

REMUNERATION REPORT CONTINUED

Share equity summary continued

	Award date	Award price	Vesting date	Equity-settled instruments at 31 December 2016	Number of shares awarded inclusive of performance condition award	Equity-settled instruments forfeited during the year	Equity-settled instruments exercised during the year	Equity-settled instruments at 31 December 2017	Face value at award date (R000)	Fair value at award date (R000)	Fair value at 31 December 2017 (R000)
PRESCRIBED OFFICERS											
Hartley Dikgale	**Conditional Share Awards**										
	3 March 2014	R0.00	3 March 2017	88,304	88,304	–	176,608	–	1,920	3,409	–
	2 March 2015	R0.00	2 March 2018	67,235	36,849	–	–	104,084	2,015	2,516	1,384
	1 March 2016	R0.00	1 March 2019	124,373	68,163	–	–	192,536	7,016	2,653	1,040
	1 March 2017	R0.00	1 March 2020	–	580,521	–	–	580,521	10,306	9,026	5,875
	Forfeitable Share Awards										
	1 March 2016	R0.00	1 September 2017	8,323	–	–	8,323	–	470	469	–
	1 March 2017	R0.00	1 December 2017	–	15,403	–	15,403	–	415	383	–
	1 March 2017	R0.00	1 September 2018	–	15,404	–	–	15,404	415	372	243
Total				**288,235**	**804,644**	**–**	**200,334**	**892,545**	**22,557**	**18,828**	**8,542**
Dawie Mostert	**Conditional Share Awards**										
	3 March 2014	R0.00	3 March 2017	89,442	89,442	–	178,884	–	1,944	3,453	–
	2 March 2015	R0.00	2 March 2018	86,336	47,317	–	–	133,653	2,588	3,231	1,778
	1 March 2016	R0.00	1 March 2019	160,161	87,777	–	–	247,938	9,035	3,416	1,339
	1 March 2017	R0.00	1 March 2020	–	581,610	–	–	581,610	10,326	9,043	5,886
	Forfeitable Share Awards										
	1 March 2016	R0.00	1 September 2017	9,292	–	–	9,292	–	524	524	–
	1 March 2017	R0.00	1 December 2017	–	15,937	–	15,937	–	429	396	–
	1 March 2017	R0.00	1 September 2018	–	15,938	–	–	15,938	429	385	252
Total				**345,231**	**838,021**	**–**	**204,113**	**979,139**	**25,276**	**20,448**	**9,254**
Themba Nkosi	**Conditional Share Awards**										
	1 September 2016	R0.00	1 September 2019	67,666	37,085	–	–	104,751	3,850	1,443	566
	1 March 2017	R0.00	1 March 2020	–	520,136	–	–	520,136	9,234	10,274	6,069
	Forfeitable Share Awards										
	1 March 2017	R0.00	1 December 2017	–	15,183	–	15,183	–	409	377	–
	1 March 2017	R0.00	1 September 2018	–	15,185	–	–	15,185	409	367	240
Total				**67,666**	**587,589**	**–**	**15,183**	**640,072**	**13,902**	**8,831**	**5,503**
Wayne Robinson	**Conditional Share Awards**										
	2 June 2014	R0.00	2 June 2017	47,296	31,907	–	79,203	–	1,335	1,826	–
	2 March 2015	R0.00	2 March 2018	93,209	51,083	–	–	144,292	2,794	3,488	1,919
	1 March 2016	R0.00	1 March 2019	172,584	94,586	–	–	267,170	9,736	3,681	1,443
	1 March 2017	R0.00	1 March 2020	–	652,656	–	–	652,656	11,587	8,087	5,264
	Forfeitable Share Awards										
	1 March 2016	R0.00	1 September 2017	11,593	–	–	11,593	–	654	654	–
	1 March 2017	R0.00	1 December 2017	–	16,889	–	16,889	–	455	420	–
	1 March 2017	R0.00	1 September 2018	–	16,890	–	–	16,890	455	408	267
Total				**324,682**	**864,011**	**–**	**107,685**	**1,081,008**	**27,016**	**10,274**	**6,069**

Share equity summary continued

		Award date	Award price	Vesting date	Equity-settled instruments at 31 December 2016	Number of shares awarded inclusive of performance condition award	Equity-settled instruments forfeited during the year	Equity-settled instruments exercised during the year	Equity-settled instruments at 31 December 2017	Face value at award date (R000)	Fair value at award date (R000)	Fair value at 31 December 2017 (R000)
PRESCRIBED OFFICERS continued												
Richard Stewart	**Conditional Share Awards**											
		2 June 2014	R0.00	2 June 2017	39,339	26,540	–	65,879	–	1,110	1,519	–
		2 March 2015	R0.00	2 March 2018	77,884	42,685	–	–	120,569	2,335	2,914	1,604
		3 November 2015	R0.00	3 November 2018	188,195	103,141	–	–	291,336	3,113	7,042	3,875
		1 March 2016	R0.00	1 March 2019	168,881	92,556	–	–	261,437	9,527	3,602	1,412
		1 March 2017	R0.00	1 March 2020	–	779,114	–	–	779,114	13,832	12,114	7,885
	Forfeitable Share Awards											
		1 March 2016	R0.00	1 September 2017	9,871	–	–	9,871	–	557	557	–
		1 March 2017	R0.00	1 December 2017	–	16,732	–	16,732	–	451	417	–
		1 March 2017	R0.00	1 September 2018	–	16,733	–	–	16,733	451	404	264
Total					**484,170**	**1,077,501**	**–**	**92,482**	**1,469,189**	**31,375**	**28,568**	**15,039**
Robert van Niekerk	**Conditional Share Awards**											
		3 March 2014	R0.00	3 March 2017	130,797	130,797	–	261,594	–	2,843	5,050	–
		2 March 2015	R0.00	2 March 2018	116,899	64,067	–	–	180,966	3,504	4,374	2,407
		1 March 2016	R0.00	1 March 2019	185,702	101,775	–	–	287,477	10,476	3,961	1,552
		1 March 2017	R0.00	1 March 2020	–	765,144	–	–	765,144	13,584	11,897	7,743
		1 September 2017	R0.00	1 September 2020	–	111,676	–	–	111,676	2,303	2,635	1,130
	Forfeitable Share Awards											
		1 March 2016	R0.00	1 September 2017	12,522	–	–	12,522	–	706	706	–
		1 March 2017	R0.00	1 December 2017	–	20,119	–	20,119	–	542	500	–
		1 March 2017	R0.00	1 September 2018	–	20,120	–	–	20,120	542	486	317
Total					**445,920**	**1,213,698**	**–**	**294,235**	**1,365,383**	**34,502**	**26,609**	**13,150**
John Wallington [1]	**Conditional Share Awards**											
		1 March 2016	R0.00	1 March 2019	126,740	65,613	–	–	–	7,150	2,703	–
		1 March 2017	R0.00	1 March 2020	–	581,690	–	–	–	10,534	9,225	–
	Forfeitable Share Awards											
		1 March 2017	R0.00	1 December 2017	–	15,328	–	–	–	421	381	–
		1 March 2017	R0.00	1 September 2018	–	15,328	–	–	–	421	370	–
Total					**126,740**	**677,958**	**–**	**–**	**–**	**18,526**	**12,679**	**–**
Chris Bateman [2]	**Conditional Share Awards**											
		1 September 2017	R0.00	1 September 2020	–	413,920	–	–	413,920	8,537	9,768	4,189
Total					**–**	**413,920**	**–**	**–**	**413,920**	**8,537**	**9,768**	**4,189**

[1] Ceased being a Prescribed Officer on 30 June 2017

[2] Become a Prescribed Officer on 1 July 2017

REMUNERATION REPORT CONTINUED

NON-EXECUTIVE DIRECTORS' FEES

Remuneration paid to Sibanye-Stillwater non-executive directors during the year ended 31 December 2017

Name	Directors' fees	Committee fees	Expense allowance	2017	2016
	R'000	R'000	R'000	R'000	R'000
Chris Chadwick [1]	345	97	–	**442**	1,099
Robert Chan [2]	718	203	277	**1,199**	1,369
Tim Cumming	908	459	61	**1,428**	1,337
Barry Davison	908	587	60	**1,555**	1,411
Savannah Danson [3]	544	201	–	**745**	–
Rick Menell	908	681	21	**1,610**	1,602
Sello Moloko	1,717	–	8	**1,725**	1,621
Nkosemntu Nika	874	411	–	**1,286**	1,260
Keith Rayner	908	637	–	**1,544**	1,530
Sue van der Merwe	908	315	–	**1,223**	1,139
Jerry Vilakazi	897	327	–	**1,224**	1,169
Jiyu Yuan [2]	718	101	–	**820**	978
Total	**10,354**	**4,021**	**427**	**14,802**	**14,515**

[1] *Resigned 23 May 2017*
[2] *Resigned 18 September 2017*
[3] *Appointed 23 May 2017*

STATEMENT OF ASSURANCE

INDEPENDENT ASSURANCE PROVIDER'S LIMITED ASSURANCE REPORT ON SELECTED SUSTAINABILITY PERFORMANCE INDICATORS

TO THE DIRECTORS OF SIBANYE-STILLWATER

We have undertaken a limited assurance engagement on selected sustainability performance indicators, as described below, and presented in the Sibanye Gold Limited, trading as Sibanye-Stillwater (Sibanye-Stillwater), Integrated Annual Report for the year ended 31 December 2017 (the Report). This engagement was conducted by a multi-disciplinary team of health, safety, social, environmental and assurance specialists with relevant experience in sustainability reporting.

Subject Matter

We are required to provide limited assurance on the following selected sustainability performance indicators, referenced by note 19 in the Five-year statistical review on pages 17 to 19 of the Report. The selected sustainability performance indicators described below have been prepared in accordance with the criteria set out in (a), (b) and (c) of the table below, which is referred to as the 'applicable reporting criteria' within this report.

Selected Sustainability Performance Indicators	Unit
(a) Prepared in accordance with the Global Reporting Initiative G4 Sustainability Reporting Guidelines (GRI G4 Guidelines) and relevant sections of Sibanye-Stillwater's internally developed guidelines	
Environment	
CO_2e emissions (Scope 1 and 2)	'000 tonnes
CO_2e emissions Scope 3	'000 tonnes
Electricity consumption	'000 MWh
Number of environmental incidents - Level 3 and above	Number
Water withdrawal	ML
Diesel	TJ
Health	
Number of cases of reported Silicosis	Number of cases
Number of cases of reported noise-induced hearing loss (NIHL)	Number of cases
Number of cases of reported chronic obstructive airways diseases (COAD)	Number of cases
Number of cases of reported cardio-respiratory tuberculosis (TB) – new and retreatment cases	Number of cases
Number of cases of reported TB incidence – new and relapse cases	Number of cases
Number of patients in active employment and on highly-active antiretroviral treatment (HAART)	Number of patients
HIV prevalence among employees	Percentage
Safety	
Lost-time injury frequency rate (LTIFR)	Rate
Medically treated injury frequency rate (MTIFR)	Rate
Number of fatalities	Number
Social	
Socio-economic development spend	R' million
(b) Prepared in compliance with the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (BBSEEC) (2002) and related scorecard (2004) and relevant sections of Sibanye-Stillwater's internally developed guidelines	
Approved social and labour plan (SLP) projects spend	R' million
(c) Prepared in compliance with the Amendment to the BBSEEC (2010) and related scorecard (2010) and relevant sections of Sibanye-Stillwater's internally developed guidelines	

STATEMENT OF ASSURANCE CONTINUED

Selected Sustainability Performance Indicators	Unit
Employment equity	
Percentage HDSAs in management who are classified as designated groups and who are employed at management levels (Excluding foreign nationals and white males)	
HDSA representation	
-Top Management (Board)	Percentage
-Senior management (executives)	Percentage
-Middle management (E Band)	Percentage
-Junior management (D Band)	Percentage
Procurement and enterprise development	
BEE procurement – Total spend	R' million
BEE Procurement Spend : Capital goods	Percentage
BEE Procurement Spend: Services	Percentage
BEE Procurement Spend: Consumable	Percentage

Directors' Responsibilities

The Directors are responsible for the selection, preparation and presentation of the selected sustainability performance indicators in accordance with the applicable reporting criteria. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

KPMG Services Proprietary Limited applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express limited assurance conclusions on the selected sustainability performance indicators based on the work we have performed and the evidence we have obtained. We have conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. The Standard requires us to plan and perform our engagement to obtain limited assurance about whether the selected sustainability performance indicators are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of Sibanye-Stillwater Limited's use of its reporting criteria as the basis of preparation for the selected sustainability performance indicators, assessing the risks of material misstatement of the selected sustainability performance indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected sustainability performance indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of our limited assurance engagement on the selected sustainability performance indicators set out in the Subject Matter paragraph above, in performing the procedures listed above we:

- Interviewed management and data owners to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected sustainability performance indicators;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;
- Evaluated the reasonableness and appropriateness of significant estimates and judgments made by the Directors in the preparation of the selected sustainability performance indicators;
- Undertook site visits and desktop reviews at selected South African operations and performed a desktop review on the US operations reported data;
- Evaluated whether the selected sustainability performance indicators presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at Sibanye-Stillwater Limited.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for a reasonable assurance engagement. As a result the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Sibanye-Stillwater Limited's selected sustainability performance indicators have been prepared, in all material respects, in accordance with the relevant reporting criteria.

Limited Assurance Conclusions

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected sustainability performance indicators set out in of the Subject Matter paragraph above for the year ended 31 December 2017 are not prepared, in all material respects, in accordance with the applicable reporting criteria.

Other Matter

The maintenance and integrity of the Sibanye-Stillwater's website is the responsibility of Sibanye-Stillwater management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may have occurred since the initial date of its presentation on the Sibanye-Stillwater website.

Restriction of Liability

Our work has been undertaken to enable us to express limited assurance conclusions on the selected sustainability performance indicators to the Directors of Sibanye-Stillwater in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than Sibanye-Stillwater, for our work, for this report, or for the conclusion we have reached.

KPMG Services Proprietary Limited
PD Naidoo
Director
Johannesburg
29 March 2018

KPMG Crescent
85 Empire Road
Parktown
Johannesburg

SHAREHOLDER INFORMATION

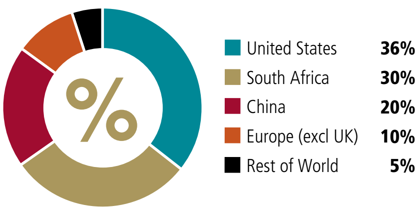
Share information

Sector		Resources	
Issued share capital	at 31 December 2017	2,168,721,220	
	at 31 December 2016	929,004,342	
Market capitalisation	at 31 December 2017	R34.3 billion or US$2.7 billion	
	at 31 December 2016	R23.6 billion or US$1.7 billion	
JSE			
12-month average daily share trading volumes	year ended 31 December 2017	10,019,480	
	year ended 31 December 2016	6,165,133	
Share price statistics	12-month low and high for 2017	Low: R14.15	High: R22.98
	12-month low and high for 2016	Low: R21.98	High: R70.23
	closing price as at 31 December 2017	R15.82	
NYSE			
12-month average daily share trading volumes on the NYSE and other US platforms	year ended 31 December 2017	3,826,905	
	year ended 31 December 2016	2,159,231	
Share price statistics	12-month low and high for 2017	Low: US$4.30	High: US$7.02
	12-month low and high for 2016	Low: US$6.16	High: US$20.78
	closing price as at 31 December 2017	US$5.05	
Free float		80%	
ADR ratio		1:4	

Ownership summary at 31 December 2017 – top 10 shareholders

Rank	Investor	Current combined holding of shares in issue	% of shares in issue
1	Gold One	427,945,215	19.73
2	Van Eck Associates Corporation	232,647,340	10.73
3	Public Investment Corporation	190,930,628	8.80
4	Investec Asset Management	145,619,201	6.71
5	BlackRock Inc	92,159,514	4.25
6	The Vanguard Group Inc	64,079,278	2.96
7	Dimensional Fund Advisors	60,314,329	2.78
8	Fairtree Capital Pty Ltd	49,298,658	2.27
9	Hosking Partners LLP	47,388,289	2.19
10	Schroders Plc	46,902,239	2.17

Geographic distribution of shareholders as at 31 December 2017 (%)*



** Figures may not add due to rounding*

Registered shareholder spread at 31 December 2017

	Number of holders	% of total shareholders	Number of shares	% of issued capital
1 – 1,000 shares	13,507	69.92	2,101,469	0.10
1,001 – 10,000 shares	4,085	21.15	13,500,865	0.62
10,001 – 100,000 shares	1,164	6.03	36,003,423	1.66
100,001 – 1,000,000 shares	418	2.16	130,814,089	6.03
1,000,001 shares and above	144	0.75	1,986,301,374	91.59
Total	**19,318**	**100.00**	**2,168,721,220**	**100.00**

Public and non-public shareholdings

Shareholder type	Number of holders	% of total shareholders	Number of shares	% of issued capital
Non-public shareholders	10	0.05	23,334,803	1.08
Directors	8	0.04	6,317,884	0.29
Share trust	1	0.01	16,728,885	0.77
Own holding	1	0.01	288,034	0.01
Public shareholders	19,308	99.94	2,145,386,417	98.92
Total	**19,318**	**100.00**	**2,168,721,220**	**100.00**

Foreign custodian holdings of more than 3% at 31 December 2017

	Number of holders	% of issued capital
Bank of New York Depositary Receipts	566,937,909	26.14
State Street Bank and Trust Company	176,103,999	8.12
Citibank	78,318,008	3.61
J.P. Morgan Chase Bank NA	67,039,472	3.09

Investment management shareholdings of more than 3% at 31 December

	2017		2016		2015	
Beneficial shareholdings	Number of shares	% of shares in issue	Number of shares	% of shares in issue	Number of shares	% of shares in issue
Van Eck Associates Corporation	**232,647,340**	**10.73**	53,555,603	5.76	65,030,159	7.10
Public Investment Corporation	**190,930,628**	**8.80**	76,941,387	8.28	76,599,424	8.36
Investec	**145,619,201**	**6.71**	9,026,558	0.97	29,818,210	3.25
BlackRock Inc	**92,159,514**	**4.25**	34,764,380	3.74	11,100,898	1.22

Figures may not add due to rounding

INVESTOR RELATIONS CONTACTS

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JAMES WELLSTED

Senior Vice President: Investor Relations

HENRIKA NINHAM

Manager Investor Relations

FORWARD-LOOKING STATEMENTS

This Integrated Annual Report ("Report") is for informational purposes only and does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or any other jurisdiction nor a solicitation of any vote of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The shares to be issued in connection with the offer for Lonmin plc ("Lonmin" and the "New Sibanye Shares", respectively) have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and, accordingly, may not be offered or sold or otherwise transferred in or into the United States except pursuant to an exemption from the registration requirements of the Securities Act. The New Sibanye Shares are expected to be issued in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) thereof.

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No statement in this Report should be construed as a profit forecast.

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements, including, among others, those relating to Sibanye-Stillwater's financial positions, business strategies, plans and objectives of management for future operations, are necessarily estimates reflecting the best judgment of the senior management and directors of Sibanye-Stillwater. All statements other than statements of historical facts included in this report may be forward-looking statements. Forward-looking statements also often use words such as "will", "forecast", "potential", "estimate", "expect" and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors, including those set forth in this disclaimer. Readers are cautioned not to place undue reliance on such statements. The important factors that could cause Sibanye-Stillwater's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, economic, business, political and social conditions in the United Kingdom, South Africa, Zimbabwe and elsewhere; changes in assumptions underlying Sibanye-Stillwater's estimation of their current mineral reserves and resources; the ability to achieve anticipated efficiencies and other cost savings in connection with past, ongoing and future acquisitions, as well as at existing operations; the ability of Sibanye-Stillwater to complete any ongoing or future acquisitions; the success of Sibanye-Stillwater's business strategy, exploration and development activities; the ability of Sibanye-Stillwater to comply with requirements that it operate in a sustainable manner; changes in the market price of gold, PGMs and/or uranium; the occurrence of hazards associated with underground and surface gold, PGMs and uranium mining; the occurrence of labour disruptions and industrial action; the availability, terms and deployment of capital or credit; changes in relevant government regulations, particularly environmental, tax, health and safety regulations and new legislation affecting water, mining, mineral rights and business ownership, including any interpretations thereof which may be subject to dispute; the outcome and consequence of any potential or pending litigation or regulatory proceedings or other environmental, health and safety issues; power disruptions, constraints and cost increases; supply chain shortages and increases in the price of production inputs; fluctuations in exchange rates, currency devaluations, inflation and other macro-economic monetary policies; the occurrence of temporary stoppages of mines for safety incidents and unplanned maintenance; their ability to hire and retain senior management or sufficient technically skilled employees, as well as their ability to achieve sufficient representation of historically disadvantaged South Africans' in management positions; failure of information technology and communications systems; the adequacy of insurance coverage; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye-Stillwater's operations; and the impact of HIV, tuberculosis and other contagious diseases. These forward-looking statements speak only as of the date of this report. Sibanye-Stillwater expressly disclaims any obligation or undertaking to update or revise any forward-looking statement (except to the extent legally required).

ADMINISTRATIVE AND CORPORATE INFORMATION

SIBANYE GOLD LIMITED
TRADING AS SIBANYE-STILLWATER

Incorporated in the Republic of
South Africa
Registration number 2002/031431/06
Share code: SGL
Issuer code: SGL
ISIN: ZAE E000173951

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NYSE: SBGL

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Neal Froneman (CEO)
Charl Keyter (CFO)
Savannah Danson*
Timothy Cumming*
Barry Davison*
Rick Menell*
Nkosemntu Nika*
Keith Rayner*
Susan van der Merwe*
Jerry Vilakazi*

** Independent non-executive*

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OUR MINING IMPROVES LIVES

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we are one

Sibanye Stillwater