

ROYAL BAFOKENG PLATINUM LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2008/015696/06)
JSE share code: RBP ISIN: ZAE000149936
JSE bond code: RBPCB ISIN: ZAE000243853
("RBPlat" or the "Company")

CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019 – SHORT FORM ANNOUNCEMENT

KEY FEATURES OF OUR PERFORMANCE

Financial capital

- EBITDA of R525.6 million (2018: R222.5 million)
- EBITDA margin of 16.6% (2018: 13.4%)
- 1.7% reduction in fixed cash cost from 70.8% to 69.1%
- Loss per share (LPS) of 70.8 cents (2018: 12.4 cents)
- R1 029.1 million raised from rights offer
- Net debt position of R284.6 million (2018: net cash position of R227.8 million)

Manufactured capital

- 21.1% increase in total tonnes delivered to 1 836kt (2018: 1 516kt)
- 22.2% increase in total tonnes milled to 1 869kt (2018: 1 529kt)
- Slower than planned Styldrift ramp-up, however 86.5% increase in tonnes milled to 757kt (2018: 406kt)
- 21.1% increase in 4E ounces to 199.2koz (2018: 164.5koz)
- 7.8% increase in BRPM's cost per tonne milled to R1 288 (2018: R1 195)

Human capital

- Regrettably one fatality at our operations
- 21.6% improvement in lost time injury frequency rate to 2.10 (2018: 2.68)
- 42.8% improvement in serious injury frequency rate to 1.15 (2018: 2.01)

Natural capital

- Awarded CDP B scores for water and climate change
- R3.7 million cost savings in potable water by using our water treatment plant

OPERATING AND FINANCIAL STATISTICS

Description	Unit	30 June 2019	30 June 2018	% change
Revenue	R'm	3 163.0	1 659.6	90.6
4E ounces produced	koz	199.2	164.5	21.1
Pt ounces produced	koz	129.2	106.5	21.3
Cash operating cost/tonne milled	R/t	1 407	1 195	(17.7)
Cash operating cost/4E ounce	R/oz	13 211	10 449	(26.4)
Cash operating cost/platinum ounce	R/oz	20 355	16 159	(26.0)
Royal Bafokeng Resources capital expenditure	R'm	621	1 381	55.0
EBITDA margin	%	16.6	13.4	23.9
Earnings/(loss) per share	cents/ share	(70.8)	(12.4)	(471.0)
Headline earnings/(loss) per share	cents/ share	(70.8)	(6.0)	(1 080.0)

OVERVIEW

During the first half of the year, the PGM market continued to be characterised by buoyant dollar palladium and rhodium prices and rand weakness resulting in a strong and sustained rand basket pricing environment. Within the context of this environment, and in pursuit of our strategic objective of creating value through competitive earnings and growth for all our stakeholders in the short, medium and long term, our operational focus and key objectives remained geared towards:

- Achieving meaningful and sustainable improvements in our key safety metrics in our pursuit of zero harm
- Maintaining stable stakeholder relations through ongoing dialogue and interaction with employees, National Union of Mineworkers (NUM) structures and local communities
- Successfully ramping up Styldrift to 230ktpm during the third quarter of 2020
- Further leveraging our operational flexibility by recommencing UG2 mining at BRPM South shaft and initiating long lead concentrator projects required to optimise and sustain production in the longer term

The Group achieved record first half production results supported by the ramp-up of Styldrift, with 4E and platinum production ounces increasing by 21.1% and 21.3%, respectively. BRPM operations achieved satisfactory results, with overall operational flexibility being maintained despite the ongoing depletion of South shaft Merensky reserves — due to a focused redevelopment programme at South shaft to access previously abandoned Merensky reserves. UG2 mining was successfully reinstated at South shaft due to the improved economics of mining this reef and is steadily being ramped up to 20ktpm. Styldrift's ramp-up progressed steadily, albeit at lower than planned production levels due to delays associated with the commissioning of in-stope ore handling infrastructure, operational challenges encountered during the implementation of full calendar operations (FULCO) and difficulties experienced in recruiting and onboarding of skilled, trackless personnel. Our operational and technical team continues to focus on the implementation of systems, installation of infrastructure and recruitment of personnel required to achieve the mine's steady state production milestone of 230ktpm.

2019 remains a pivotal year for RBPlat as we are now sole owners of our operations, while ramping up the Styldrift Mine to 230ktpm during the third quarter of 2020. Earnings were, however, negatively affected by:

- High cash costs and high levels of depreciation due to the Styldrift ramp-up
- Interest charges relating to the deferred RPM consideration
- High borrowing costs that were expensed in 2019

This resulted in RBPlat recording a loss per share (LPS) of 70.8 cents during the first six months ended 30 June 2019, compared to a LPS of 12.4 cents for the similar period in 2018.

OUTLOOK

During the second half of the year our focus will be on consolidating the gains made in our key injury frequency rates in support of creating a zero harm operating environment. Operationally the key drivers will be to optimise volumes, contain costs and secure long-term operational flexibility.

Given production performance during the first half of the year the production guidance for the full year is revised to 3.9Mt — 4.0Mt at a built-up head grade of 4.00g/t — 4.10g/t (4E) due to the slower than forecast ramp-up at Styldrift, partially compensated by increased BRPM tonnage, yielding 4E metal production of between 430koz and 440koz. Total cash operating costs per 4E ounce are forecast to be between:

- R12 500 and R13 300 for the Group
- R11 200 and R11 500 for BRPM
- R14 500 and R15 500 for Styldrift.

Group capital expenditure is forecast to remain unchanged at approximately R1.7 billion, with SIB expenditure between 4% and 5% of operating cost for the year.

SHORT FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details. Any investment decision should be based on the full announcement accessible from Tuesday, 06 August 2019, via the JSE link and also available on the Company's website at www.bafokengplatinum.co.za

These condensed consolidated interim financial statements have been reviewed by PricewaterhouseCoopers Inc., who expressed an unmodified conclusion thereon.

Copies of the full announcement may also be requested by contacting Royal Bafokeng Platinum Investor Relations by email at lindiwe@bafokengplatinum.co.za and are available for inspection at the Company's registered office at no charge, weekdays during office hours.

The JSE link is as follows:

<https://senspdf.jse.co.za/documents/2019/jse/isse/RBP/H119Result.pdf>.

The Company will be hosting an analyst roundtable after the results at 11h00. The presentation will be available on the website at <http://www.bafokengplatinum.co.za/conference-and-site-visit-presentations.php> at the start of the presentation.

Johannesburg
06 August 2019

JSE Sponsor
Merrill Lynch South Africa Proprietary Limited

For further information, please contact:

Lindiwe Montshiwagae
Executive: Investor Relations
Tel: +27 (0)10 590 4510
Email: lindiwe@bafokengplatinum.co.za