

## Form of Authority and Responsibility Statement

To: Sibanye Gold Limited (trading as Sibanye-Stillwater) (the “Company”)  
UBS Limited and UBS South Africa (Pty) Ltd (collectively, “UBS”)  
HSBC Bank plc (together with UBS, the “Financial Advisers”)

### 1 Authority for release of documents

In my capacity as a Director of the Company, I authorise and consent to the issue, release, and/or publication by the Company or the Financial Advisers (and, in respect of the Scheme Document, by Lonmin), or by any other person on behalf of the Company (and, in respect of the Scheme Document, by Lonmin), of any Approved Document relating to or in connection with Acquisition.

### 2 Responsibility for documents

2.1 I confirm that I have read Rule 19.2 of the Code and will comply with paragraph 1 of Appendix 3 to the Code, copies of which are annexed.

2.2 I authorise and consent to the inclusion in any Approved Document, as may be required by Rule 19.2 of the Code, of the following statements or statements in a substantially similar form to the following:

2.2.1 in respect of the Scheme Document:

*“The directors of Sibanye-Stillwater, whose names are set out in paragraph 2(e) of this Part IX, accept responsibility for the information (including any expressions of opinion) contained in this document relating to the Sibanye-Stillwater Group, including, but not limited to Sibanye-Stillwater’s intentions and strategic plans for Lonmin and the Enlarged Sibanye-Stillwater Group, the undertakings and conditions imposed by the SA Competition Tribunal, Sibanye-Stillwater’s reasons for the Transaction, the synergy potential of the Transaction as identified by Sibanye-Stillwater (including the information (and expressions of opinion) contained in the Quantified Financial Benefits Statement set out in Appendix 1 to this document), the financial effects of the Transaction, offer-related arrangements entered into by Sibanye-Stillwater, the financial information in respect of Sibanye-Stillwater incorporated by reference into this document, credit ratings information relating to the Sibanye-Stillwater Group, material contracts entered into by Sibanye-Stillwater and members of the Sibanye-Stillwater Group, Sibanye-Stillwater’s estimated fees and expenses, information relating to the directors of Sibanye-Stillwater and their respective close relatives and related trusts and other connected persons and persons deemed to be acting in concert with Sibanye-Stillwater (as such term is defined in the Takeover Code). To the best of the knowledge and belief of the directors of Sibanye-Stillwater (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information (including any expressions of opinion).”*

2.2.2 in respect of the Circular:

*“Each of the Directors, whose names are set out on page 1 accept responsibility for the information (and expressions of opinion) contained in this document. To the best*

*of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information (and expressions of opinion) contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information (and expressions of opinion)."*

2.2.3 in respect of any other Approved Document:

*"The Directors, whose names are set out [below], accept responsibility for the information (and expressions of opinion) contained in this document other than the information (and expressions of opinion) for which responsibility is taken by others pursuant to paragraph [●]. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information (and expressions of opinion) contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information (and expressions of opinion)."*

2.3 I undertake to accept responsibility for any Approved Document in its final form in accordance with the terms of this letter, whether or not I am or have been concerned in supervising the detailed preparation thereof.

2.4 I authorise myself to be named in any Approved Document as a Director of the Company.

### **3 Confirmation**

I confirm that I believe that the Acquisition is in the best interests of the Company and its shareholders as a whole, that I recommend shareholders of the Company vote in favour of the ordinary resolution to be proposed at the Sibanye-Stillwater Shareholder Meeting (as defined in the Scheme Document) in connection with the Acquisition, and I acknowledge such statement to this effect will be included in the Circular.

### **4 Confirmation of interests and dealings**

I confirm that I have reviewed the section entitled "interests and dealings in shares and persons acting in concert" contained in paragraph 5 of Part IX of the Scheme Document. I further confirm that the information in that section relating to the interests and dealings in Sibanye-Stillwater relevant securities and Lonmin relevant securities (each as defined in the Scheme Document), including in relation to options and awards over Sibanye-Stillwater relevant securities, in relation to myself, members of my immediate family, close friends and related trusts and the Company is up to date, complete, accurate and does not omit any material information.

### **5 Revocation**

The authorities, consents and undertakings set out in paragraphs 1 and 2 above may be revoked, either generally or in relation to any specified document or class of documents, at any time by notice in writing (including fax or telex) addressed to the secretary of the Company and handed to him/her or delivered at the registered office of the Company and shall, so far as not previously revoked, cease to have effect six months after the date hereof.

## 6 Supply of information

I undertake that I will draw to the attention of those to whom supervision of any Approved Document has to my knowledge been delegated all relevant facts directly relating to myself (or to my close relatives and related trusts) and all other relevant facts known to me and relevant opinions held by me which, after due consideration, I do not believe are known to any such person or I believe are unlikely to be considered by any such person.

## 7 Defined terms

In this document:

**"Acquisition"** means the recommended all-share acquisition by the Company of all the issued and to be issued share capital of Lonmin;

**"Approved Document"** means a document or announcement which has been approved by or pursuant to a resolution of the Board, including, without limitation, the Circular and the Scheme Document;

**"Board"** means the Board of Directors of the Company or any duly authorised committee thereof;

**"Circular"** means the circular of the Company prepared for the purposes of the seeking the requisite approval of shareholders of the Company for the allotment and issue of shares in the Company as consideration for the Acquisition at the Sibanye-Stillwater Shareholder Meeting (which definition shall include any supplementary circular);

**"Lonmin"** means Lonmin plc, a public limited company incorporated in England and Wales with registered number 00103002 and whose registered office is at Connaught House 5<sup>th</sup> Floor, 1-3 Mount Street, London W1K 3NB, United Kingdom;

**"Scheme Document"** means the scheme circular of Lonmin prepared for the purposes of the Acquisition (which definition shall include any supplementary circular) as set out in Appendix 3; and

**"Code"** means the City Code on Takeovers and Mergers.

## 8 Authority to deliver copies

I authorise the delivery of a copy of this Form of Authority and Responsibility Statement to any regulatory authority which may require it, to any other person that may properly require a copy of it in relation to the Acquisition and to any other person to whom the Board (or any committee thereof) has authorised it to be delivered.

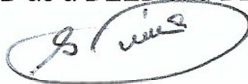
## 9 Governing Law

This Form of Authority and Responsibility Statement and any dispute or claim arising out of or in connection with it or its subject matter (including any non-contractual disputes or claims) shall be governed and construed in accordance with English law.

In witness whereof this Form of Authority and Responsibility Statement has been duly executed as a Deed on 24 April 2019.

SIGNED as a DEED and DELIVERED

by



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in the presence of:



Witness's signature

Name NALEDI NIKA.

Address 20 KLIPPLAAT RD  
KOMANI PARK; QUEENSTOWN; 5320

Occupation HOUSEWIFE

## Appendix 1

### Rule 19.2 of the Takeover Code

#### Responsibility

- (a) Each document published in connection with an offer by or on behalf of an offeror or the offeree company, must state that the directors of the offeror and/or, where appropriate, the offeree company accept responsibility for the information contained in the document (including any expressions of opinion) and that, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in the document is in accordance with the facts and that it does not omit anything likely to affect the import of the information.
- (b) The Panel's consent is required if it is proposed to exclude any director from a responsibility statement. Such consent will be given only in exceptional circumstances and in any cases where the Panel's consent is given the exclusion and the reasons for it must be stated in the document.

#### NOTES ON RULE 19.2

##### 1 *Delegation of responsibility*

*Offeror and offeree company boards must have regard to section 3(f) of the Introduction and to Section 1 of Appendix 3.*

*If detailed supervision of any document has been delegated to a committee of the board, each of the remaining directors of the company must reasonably believe that the persons to whom supervision has been delegated are competent to carry it out and must have disclosed to the committee all relevant facts directly relating to himself (including his close relatives and related trusts) and all other relevant facts known to him and relevant opinions held by him which, to the best of his knowledge and belief, either are not known to any member of the committee or, in the absence of his specifically drawing attention thereto, are unlikely to be considered by the committee during the preparation of the document.*

##### 2 *Quoting information about another party*

*Where a party publishes a document containing information about another party which makes it clear that such information has been compiled from previously published sources, the directors of the party publishing the document need, as regards the information so compiled, only take responsibility for the correctness and fairness of its reproduction or presentation and the responsibility statement may be amended accordingly. Where statements of opinion or conclusions concerning another party or unpublished information originating from another party are included, these must normally be covered by a responsibility statement by the directors of the party publishing the document or by the directors of the other party; the qualified form of responsibility statement provided for in this Note is not acceptable in such instances.*

##### 3 *When an offeror is controlled*

*If the offeror is controlled, directly or indirectly, by another person or group, the Panel will normally require that, in addition to the directors of the offeror, other persons (e.g. directors of an ultimate parent) take responsibility for documents published by or on behalf of the offeror. In such circumstances, the Panel must be consulted.*

**4** *Employee representatives' opinions and pension scheme trustees' opinions*

*The requirements of Rule 19.2(a) do not apply to any separate opinion of the employee representatives of the offeree company or the trustees of its pension scheme(s) appended to an offeree board circular in accordance with Rule 25.9 or Rule 32.6.*

## Appendix 2

### Appendix 3.1 of the Takeover Code

#### Directors' responsibilities and conflicts of interest guidance note

##### 1 Directors' responsibilities

While a board of directors may delegate the day-to-day conduct of an offer to individual directors or a committee of directors, the board as a whole must ensure that proper arrangements are in place to enable it to monitor that conduct in order that each director may fulfil his responsibilities under the Code. These arrangements should ensure that:

- (a) the board is provided promptly with copies of all documents and announcements published by or on behalf of their company which bear on the offer; the board receives promptly details of all dealings in relevant securities made by their company or any persons acting in concert with it and details of any agreements, understandings, guarantees, expenditure (including fees) or other obligations entered into or incurred by or on behalf of their company in the context of the offer which do not relate to routine administrative matters;
- (b) those directors with day-to-day responsibility for the offer are in a position to justify to the board all their actions and proposed courses of action; and
- (c) the opinions of advisers are available to the board where appropriate.

The above procedures should be followed, and board meetings held, as and when necessary throughout the offer in order to ensure that all directors are kept up-to-date with events and with actions taken.

Any director who has a question concerning the propriety of any action as far as the Code is concerned should ensure that the Panel is consulted.

The Panel expects directors to co-operate with it in connection with its enquiries; this will include the provision, promptly on request, of copies of minutes of board meetings and other information in their possession, or in the possession of an offeror or the offeree company as appropriate, which may be relevant to the enquiry.

**Appendix 3**  
**Scheme Document**



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE UK COMPANIES ACT 2006. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE LISTING OF LONMIN SHARES ON THE OFFICIAL LIST AND THE MAIN BOARD OF THE JOHANNESBURG STOCK EXCHANGE, AND OF TRADING OF LONMIN SHARES ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES AND THE MAIN BOARD OF THE JOHANNESBURG STOCK EXCHANGE.**

The release, publication or distribution of this document or accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom, United States and South Africa may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document or accompanying documents come should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

If you are in any doubt about the contents of this document, the Transaction or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser who, if you are taking advice in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 (as amended). If you are in a territory outside the United Kingdom, you should immediately consult an appropriately authorised independent financial adviser.

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**Recommended all-share offer**

**for**

**LONMIN PLC**

*(incorporated and registered in England and Wales with registered number 00103002)  
(JSE code: LON; issuer code: LOLMI; ISIN: GB00BYSRJ698)*

**by**

**SIBANYE GOLD LIMITED (TRADING AS SIBANYE-STILLWATER)**

*(incorporated and registered under the laws of the Republic of South Africa with registration number 2002/031431/06)*

**to be effected by means of a scheme of arrangement under Part 26 of the UK Companies Act 2006**

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Lonmin Shareholders and Underlying SA Shareholders should carefully read the whole of this document (including any documents incorporated into it by reference), together with the accompanying Forms of Proxy (if applicable). In particular, your attention is drawn to the letter from the Chairman of Lonmin set out in Part I of this document which contains the unanimous recommendation of the Lonmin Directors to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the Lonmin General Meeting. A statement from Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital explaining the Scheme in greater detail and the action to be taken by you is set out in Part II of this document.

The New Sibanye-Stillwater Shares proposed to be issued to Lonmin Shareholders pursuant to the Scheme have not been, and will not be, registered under the US Securities Act or under the securities law of any state, district or other jurisdiction of the United States. Accordingly, the New Sibanye-Stillwater Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into or from the United States absent registration under the US Securities Act or an exemption therefrom. The approval of the High Court of Justice in England and Wales, among other things, is expected to provide the basis for the securities to be issued without registration under the US Securities Act, in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. However, New Sibanye-Stillwater Shares will not be distributed to holders of Lonmin ADSs. Holders of Lonmin ADSs should read the explanation in paragraph 14 of Part II of this document.

If you have sold or otherwise transferred all of your Lonmin Shares (or, in the case of Underlying SA Shareholders who hold Lonmin Shares in uncertificated form through the Strate system, your beneficial entitlement), please send this document (but not any accompanying personalised documents) at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, this document should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of Lonmin Shares (or beneficial entitlement, as applicable), you should retain this document and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

The accompanying Forms of Proxy (if applicable) are personalised. If you have recently purchased or been transferred Lonmin Shares (or a beneficial entitlement to Lonmin Shares, as applicable), you should contact the relevant Lonmin Registrar to obtain replacements for these documents on the appropriate Shareholder Helpline as follows:

- Equiniti, the UK Registrar, on 0333 207 5963 for Lonmin Shareholders registered on the UK Register calling from within the United Kingdom (or +44 121 415 0088 for Lonmin Shareholders registered on the UK Register calling from outside the United Kingdom). Lines are open from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales).
- Link Market Services, the South African Registrar, on 0861 472 644 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from within South Africa (or (+27) 011 029 0112 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from outside South Africa). Lines are open from 8:00 a.m. to 4:30 p.m. (South African standard time) Monday to Friday (except South African public holidays).

Please refer to page 13 of this document for further details on the documents you should have received.

If you hold Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration, you should contact your CSDP or broker to obtain the necessary documentation.

**Notices of the Court Meeting and the Lonmin General Meeting (together, “Lonmin Shareholder Meetings”), both of which will be held at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG on 28 May 2019, are set out in Part XI and Part XII of this document respectively. The Court Meeting will start at 11:30 a.m. (UK time) and the Lonmin General Meeting at 11:45 a.m. (UK time) (or as soon thereafter as the Court Meeting is concluded or adjourned).**

#### **ACTION TO BE TAKEN**

**The action to be taken in respect of the Lonmin Shareholder Meetings is set out on pages 13 to 18 and in paragraph 22 of Part II of this document. It is very important that Lonmin Shareholders use their votes so that the Court can be satisfied that there is a fair representation of their views.**

**If the Scheme becomes Effective, it will be binding on all Lonmin Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Lonmin General Meeting (and, if they attended and voted, whether or not they voted in favour).**

#### *Forms of Proxy and attendance at the Lonmin Shareholder Meetings*

Lonmin Shareholders will find enclosed with this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the Lonmin General Meeting.

#### *Dealing Facility for New Sibanye-Stillwater Shares*

Lonmin Shareholders who are Eligible Dealing Facility Participants will also find enclosed with this document terms and conditions for the Dealing Facility and a Free Share Dealing Service Form (and a “Customer Identification and Verification Documents” form, if applicable) together with a pre-paid

envelope (for use within the United Kingdom or South Africa (as applicable) only). For further details of the Dealing Facility, see paragraph 2 of Part V of this document.

#### *Lonmin Shareholders registered on the UK Register and South African Register*

If you are a Lonmin Shareholder, whether or not you intend to attend the Court Meeting or the Lonmin General Meeting in person, please complete both Forms of Proxy accompanying this document in accordance with the instructions printed on them, or appoint a proxy electronically as set out below. To be valid, Forms of Proxy should be completed, signed and returned in accordance with the instructions printed on them to the relevant Lonmin Registrar (or submitted electronically) as soon as possible and, in any event, so as to be received by no later than 11:30 a.m. (UK time) on 23 May 2019 in respect of the Court Meeting and 11:45 a.m. (UK time) on 23 May 2019 in respect of the Lonmin General Meeting.

Forms of Proxy are pre-addressed and may be posted without an envelope to the relevant Lonmin Registrar using the address included thereon. If a Lonmin Shareholder would prefer to send their Forms of Proxy using an envelope, the envelope should be sent to the following freepost address: (i) for Lonmin Shareholders holding Lonmin Shares registered on the UK Register: The Registrar for Lonmin plc, Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 8LU; or (b) for Lonmin Shareholders holding Lonmin Shares registered on the South African Register: Link Market Services South Africa Proprietary Limited, P.O. Box 4844, Johannesburg, 2000, South Africa.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019 (or any adjournment thereof). However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

#### *Electronic proxy instructions*

Lonmin Shareholders may complete and submit the Forms of Proxy electronically via Equiniti's website at [www.sharevote.co.uk](http://www.sharevote.co.uk).

If you are a Lonmin Shareholder holding Lonmin Shares in CREST, you are able to appoint a proxy or proxies through the CREST electronic proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to accompanying notes for the notices of meeting set out at the end of this document). Proxies sent electronically must be sent as soon as possible and, in any event, so as to be received by Equiniti, the UK Registrar, by not later than 11:30 a.m. (UK time) on 23 May 2019 in respect of the Court Meeting and 11:45 a.m. (UK time) on 23 May 2019 in respect of the Lonmin General Meeting.

**The completion and return of a Form of Proxy (or electronic appointment of a proxy) (if applicable) will not prevent Lonmin Shareholders from attending either or both of the Court Meeting and the Lonmin General Meeting (or any adjournment thereof) and voting in person should they so wish and be so entitled.**

#### *Underlying SA Shareholders*

Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with "own name" registration or without "own name" registration who do not wish to attend the Court Meeting and/or Lonmin General Meeting in person, but who wish to vote, must provide their CSDP or broker with their voting instructions as described below.

Such Underlying SA Shareholders who wish to provide voting instructions for (but not attend in person) the Lonmin Shareholder Meetings (or any adjournments thereof) should, within the time period required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, provide their CSDP or broker with their voting instructions in accordance with the terms of such custody agreement.

Any such Underlying SA Shareholders who wish to attend one or both of the Lonmin Shareholder Meetings in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so.

If the relevant CSDP or broker does not obtain voting instructions from Underlying SA Shareholders, or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the relevant Underlying SA Shareholder and the CSDP or broker.

**Holders of Lonmin ADSs may vote by giving instructions to the Lonmin Depository. Holders of Lonmin ADSs should read the explanation in paragraph 14 of Part II of this document.**

#### SHAREHOLDER HELPLINES

If you have not received all of the relevant documents or have any questions relating to this document or the completion and return of the Forms of Proxy, please call the relevant Lonmin Registrar on the appropriate Shareholder Helpline, as follows:

- Equiniti, the UK Registrar, on 0333 207 5963 for Lonmin Shareholders registered on the UK Register calling from within the United Kingdom (or +44 121 415 0088 for Lonmin Shareholders registered on the UK Register calling from outside the United Kingdom). Lines are open from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales).
- Link Market Services, the South African Registrar, on 0861 472 644 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from within South Africa (or (+27) 011 029 0112 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from outside South Africa). Lines are open from 8:00 a.m. to 4:30 p.m. (South African standard time) Monday to Friday (except South African public holidays).

Calls to the Shareholder Helplines from outside the United Kingdom or South Africa (as applicable) will be charged at international rates. Different charges may apply to calls made from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

Please note that Shareholder Helplines cannot provide legal, tax or financial advice or any advice on the merits of the Scheme or the Transaction.

Underlying SA Shareholders holding Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration who have any questions must contact their respective CSDPs or brokers holding Lonmin Shares on their behalf.

#### IMPORTANT NOTICES

Gleacher Shacklock LLP (“**Gleacher Shacklock**”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Lonmin and no one else in connection with the matters set out in this document, and will not be responsible to anyone other than Lonmin for providing the protections afforded to clients of Gleacher Shacklock or for providing advice in connection with the subject matter of this document or any other matter referred to herein.

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove (“**J.P. Morgan Cazenove**”), is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom. J.P. Morgan Cazenove is acting exclusively as financial adviser to Lonmin and no one else in connection with the matters set out in this document, and will not regard any other person as its client in relation to the matters set out in this document and will not be responsible to anyone other than Lonmin for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to the contents of this document or any other matter referred to herein.

J.P. Morgan Equities South Africa Proprietary Limited is acting exclusively as JSE sponsor to Lonmin and no one else in connection with the Transaction.

Moshe Capital Proprietary Limited ("**Moshe Capital**"), which is an authorised financial services provider and regulated in South Africa by the Financial Sector Conduct Authority, is acting exclusively as financial adviser to Lonmin and no one else in connection with the Transaction, and shall not be responsible to anyone other than Lonmin for providing the protections afforded to clients of Moshe Capital nor for providing advice in connection with the Transaction or any matter referred to herein.

UBS AG, London Branch is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority in the United Kingdom and UBS South Africa (Pty) Ltd is registered with the Financial Sector Conduct Authority in South Africa (collectively "**UBS**"). UBS is acting exclusively as financial adviser to Sibanye-Stillwater and no one else in connection with the Transaction and shall not be responsible to anyone other than Sibanye-Stillwater for providing the protections afforded to clients of UBS nor for providing advice in relation to such matters.

HSBC Bank plc ("**HSBC**"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively as financial adviser to Sibanye-Stillwater and no one else in connection with the Transaction, and shall not be responsible to anyone other than Sibanye-Stillwater for providing the protections afforded to clients of HSBC nor for providing advice in connection with the Transaction or any matter referred to herein.

Qinisele Resources Proprietary Limited ("**Qinisele Resources**") is acting exclusively as corporate adviser to Sibanye-Stillwater and no one else in connection with the Transaction and shall not be responsible to anyone other than Sibanye-Stillwater for providing the protections afforded to clients of Qinisele Resources nor for providing advice in connection with the Transaction or any matter referred to herein.

## **FURTHER INFORMATION**

This document is for information purposes only. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Scheme or otherwise, nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth in this document since such date.

This document has been prepared for the purposes of complying with English law and the Takeover Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document, you should consult your own legal, business, financial or tax adviser for legal, business, financial or tax advice.

This document does not constitute a prospectus or prospectus equivalent document.

## **Overseas Shareholders**

The availability of the New Sibanye-Stillwater Shares in, and the release, publication or distribution of this document in or into, certain jurisdictions other than the United Kingdom, South Africa or the United States, may be restricted by law. Persons who are not resident in the United Kingdom, South Africa or the United States or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements. Lonmin Shareholders or Underlying SA Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant

jurisdiction without delay. Any failure to comply with the applicable requirements may constitute a violation of the laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Transaction disclaim any responsibility or liability for the violation of such requirements by any person.

The New Sibanye-Stillwater Shares may not be offered, sold or delivered, directly or indirectly, in, into or from any Restricted Jurisdiction or to, or for the account or benefit of, any person resident in, or nationals or citizens of, a Restricted Jurisdiction or who are nominees or custodians, trustees or guardians for, citizens, residents or nationals of such Restricted Jurisdiction except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws of those jurisdictions.

The Transaction is subject to, among other things, the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the Financial Conduct Authority and the Johannesburg Stock Exchange.

It is the responsibility of any person into whose possession this document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the issue of New Sibanye-Stillwater Shares following the Effective Date, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

**THIS DOCUMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO BUY, SELL OR EXCHANGE OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY, SELL OR EXCHANGE ANY SECURITY, NOR SHALL THERE BE ANY SALE, ISSUANCE, EXCHANGE OR TRANSFER OF THE SECURITIES REFERRED TO IN THIS DOCUMENT IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.**

Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.

#### **Note to US Holders**

The New Sibanye-Stillwater Shares, which will be issued in connection with the Scheme, have not been, and will not be, registered under the US Securities Act or under the securities law of any state, district or other jurisdiction of the United States. Accordingly, the New Sibanye-Stillwater Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into or from the United States absent registration under the US Securities Act or an exemption therefrom. The New Sibanye-Stillwater Shares are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Lonmin Shareholders (whether or not US persons) who are or will be affiliates (within the meaning of the US Securities Act) of Sibanye-Stillwater or Lonmin prior to, or of Sibanye-Stillwater after, the Effective Date will be subject to certain US transfer restrictions relating to the New Sibanye-Stillwater Shares received pursuant to the Scheme. For a description of these and certain further restrictions on offers, sales and transfers of the New Sibanye-Stillwater Shares and the distribution of this document, see paragraph 15 of Part II of this document. Lonmin ADS Holders should refer to paragraph 14 of Part II of this document.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10), Lonmin will advise the Court through counsel that its sanctioning of the Scheme will be relied upon by Sibanye-Stillwater as an approval of the Scheme following a hearing on its fairness to Lonmin Shareholders.

None of the securities referred to in this document have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

The Transaction relates to shares of a company incorporated in England and Wales and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of US proxy solicitation or tender offer rules. However, if Sibanye-Stillwater were to elect to implement the Transaction by means of a takeover offer, such takeover offer will be made in compliance with all applicable laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a takeover would be made in the United States by Sibanye-Stillwater and nowhere else. In addition to any such takeover offer, Sibanye-Stillwater, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, Lonmin Shares outside such takeover offer during the period in which such takeover offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service of the Financial Conduct Authority and will be available on the London Stock Exchange website: [www.londonstockexchange.com](http://www.londonstockexchange.com).

The financial information included in this document has been prepared in accordance with accounting standards applicable in the United Kingdom and South Africa and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of New Sibanye-Stillwater Shares pursuant to the Scheme by a US Lonmin Shareholder may be a taxable transaction for US federal income tax purposes and under applicable state and local, as well as foreign and other, tax laws. Each US Lonmin Shareholder is urged to consult his/her independent professional adviser immediately regarding the tax consequences of the Transaction.

It may be difficult for US Lonmin Shareholders and Lonmin ADS Holders to enforce their rights and claims arising out of the US federal securities laws, since Sibanye-Stillwater and Lonmin are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US Lonmin Shareholders and Lonmin ADS Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

### **Dealing disclosure requirements**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3:30 p.m. (UK time) on the tenth business day following the commencement of the offer period and, if appropriate, by no later than 3:30 p.m. (UK time) on the tenth business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), save to the

extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3:30 p.m. (UK time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror, and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Forward-looking statements**

This document 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 Lonmin's and Sibanye-Stillwater's financial positions, business strategies, plans and objectives of management for future operations, are necessarily estimates reflecting the best judgement of the senior management and directors of Lonmin and Sibanye-Stillwater.

All statements other than statements of historical facts in this document may be forward-looking statements. Forward-looking statements also often use words such as "anticipate", "believe", "intend", "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 and Lonmin's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, 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; economic, business, political and social conditions in the United Kingdom, United States, South Africa, Zimbabwe and elsewhere; a further downgrade of South Africa's credit rating; the ability of Sibanye-Stillwater and Lonmin to comply with requirements that they operate in a sustainable manner; the occurrence of hazards associated with underground and surface gold, PGMs and uranium mining; the occurrence of temporary stoppages of mines for safety incidents and unplanned maintenance; uncertainty regarding the title to any of Sibanye-Stillwater's properties; changes in the market price of gold, PGMs and/or uranium; fluctuations in exchange rates, currency devaluations, inflation and other macroeconomic monetary policies; Sibanye-Stillwater's future business prospects; financial positions; debt position and Sibanye-Stillwater's ability to reduce debt leverage; plans and objectives of management for future operations; Sibanye-Stillwater's ability to service its bond instruments and comply with loan and other covenants; the occurrence of labour disruptions and industrial action; changes in assumptions underlying Sibanye-Stillwater's and Lonmin's estimation of their current mineral reserves and resources; power disruption, constraints and cost increases; the 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; the ability to achieve potential synergies from the Transaction; 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 success of Sibanye-Stillwater's and Lonmin's business strategies, exploration and development activities; supply chain shortages and increases in the price of production inputs; the adequacy of insurance coverage; failure of information technology and communications systems and data privacy issues; 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; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Lonmin's and Sibanye-Stillwater's operations; operating in new geographies and regulatory environments where Sibanye-Stillwater has no previous experience; the ability to achieve steady state production at the Blitz Project; failure to obtain the benefits of ongoing streaming arrangements; the availability, terms and deployment of capital or credit; and the impact of HIV, tuberculosis and other contagious diseases. These forward-looking statements speak only as of the date of publication of this document. Sibanye-Stillwater and Lonmin expressly disclaim any obligation or undertaking to update or revise any forward-looking statement (except to the extent legally required).

## **Rounding**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

## **No profit forecasts or estimates**

No statement in this document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Sibanye-Stillwater or Lonmin, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Sibanye-Stillwater or Lonmin, as appropriate.

## **Publication of this document**

A copy of this document, together with all information incorporated into this document by reference to another source, will be made available, subject to certain restrictions relating to persons resident in, or subject to the laws and/or regulations of, a Restricted Jurisdiction where the extension or availability of the proposal would breach any applicable law, on Sibanye-Stillwater's and Lonmin's websites at [www.sibanyestillwater.com/investors/transactions/lonmin](http://www.sibanyestillwater.com/investors/transactions/lonmin) and [www.lonmin.com/investors/sibanye-stillwater-offer](http://www.lonmin.com/investors/sibanye-stillwater-offer), respectively, by no later than 12:00 p.m. (UK time) on the Business Day following publication of this document.

For the avoidance of doubt, neither the contents of those websites nor the contents of any website accessible from hyperlinks on those websites (or any other websites referred to in this document) are incorporated into, or form part of, this document unless otherwise stated.

Lonmin Shareholders, Underlying SA Shareholders and other persons with information rights may, subject to applicable securities laws, request a hard copy of the document by contacting the relevant Lonmin Registrar (being either Equiniti, the UK Registrar, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom or Link Market Services, the South African Registrar, at P.O. Box 4844, Johannesburg, 2000, South Africa) or by telephoning the relevant Lonmin Registrar on the appropriate Shareholder Helpline, as follows:

- Equiniti, the UK Registrar, on 0333 207 5963 for Lonmin Shareholders registered on the UK Register calling from within the United Kingdom (or +44 121 415 0088 for Lonmin Shareholders registered on the UK Register calling from outside the United Kingdom). Lines are open from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales).
- Link Market Services, the South African Registrar, on 0861 472 644 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from within South Africa (or (+27) 011 029 0112 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from outside South Africa). Lines are open from 8:00 a.m. to 4:30 p.m. (South African standard time) Monday to Friday (except South African public holidays).

Calls to the Shareholder Helplines from outside the United Kingdom or South Africa (as applicable) will be charged at international rates. Different charges may apply to calls made from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. Please note that helpline operators cannot provide any financial, legal or tax advice.

Lonmin Shareholders, Underlying SA Shareholders and other persons with information rights may also, subject to applicable securities laws, request that all future documents, announcements and information sent to them in relation to the Transaction be in hard copy form. Hard copies of announcements, information or future documents (including this document and other information or documents relating to the Transaction) will not be sent unless you have previously elected to receive hard copies or have specifically requested that hard copies are sent to you.

### **New Sibanye-Stillwater Shares**

Application will be made to the Johannesburg Stock Exchange for the New Sibanye-Stillwater Shares to be admitted to listing and trading on the Johannesburg Stock Exchange's Main Board for listed securities. It is expected that Admission will become effective and dealings for normal settlement in the New Sibanye-Stillwater Shares will commence at or shortly after 9:00 a.m. (South African standard time) on the Admission Date.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain information provided by Lonmin Shareholders, persons with information rights and other relevant persons for the receipt of communications from Lonmin may be provided to Sibanye-Stillwater as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

### **Quantified financial benefits**

The statements in the Revised Quantified Financial Benefits Statement relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies and which may, in some cases, be subject to consultation with employees or their representatives. The synergies and cost savings referred to may not be achieved, or may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. For the purposes of Rule 28 of the Takeover Code, the Revised Quantified Financial Benefits Statement contained in this document is the responsibility of Sibanye-Stillwater and its directors.

### **Incorporation of information by reference into this document**

The following information in the following documents is incorporated into this document:

<u>Document incorporated by reference</u>	<u>Hyperlink</u>
<b>Lonmin Information</b>	
First quarter 2019 production report and business update	<p><a href="https://thevault.exchange/?get_group_doc=166/1550648423-lonmin-q1-2019-production-report-08022019.pdf">https://thevault.exchange/?get_group_doc=166/1550648423-lonmin-q1-2019-production-report-08022019.pdf</a></p> <p>The Lonmin Group's unaudited production results for the three months to 31 December 2018, and business update, are set out at pages 1 to 10 (inclusive) in the first quarter 2019 production report and business update, available from Lonmin's website at the link referred to above.</p>
Annual report and accounts 2018	<p><a href="https://thevault.exchange/?get_group_doc=166/1548854718-lonmin-AR2018-30012019.pdf">https://thevault.exchange/?get_group_doc=166/1548854718-lonmin-AR2018-30012019.pdf</a></p> <p>The audited consolidated financial statements of the Lonmin Group for the financial year ended 30 September 2018 are set out on pages 107 to 169 (inclusive) in the annual report for the financial year ended 30 September 2018, available from Lonmin's website at the link referred to above.</p>
Annual report and accounts 2017	<p><a href="https://thevault.exchange/?get_group_doc=166/1518160987-lonmin-annual-reports-and-accounts-2017.pdf">https://thevault.exchange/?get_group_doc=166/1518160987-lonmin-annual-reports-and-accounts-2017.pdf</a></p> <p>The audited consolidated financial statements of the Lonmin Group for the financial year ended 30 September 2017 are set out on pages 116 to 172 (inclusive) in the annual report for the financial year ended 30 September 2017, available from Lonmin's website at the link referred to above.</p>

**Sibanye-Stillwater information**

Annual financial report for the year ended 31 December 2018

<https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2018>

The audited consolidated financial statements of the Sibanye-Stillwater Group for the financial year ended 31 December 2018 are set out on pages 40 to 104 (inclusive) in the annual financial report for the financial year ended 31 December 2018, available from Sibanye-Stillwater's website at the link referred to above.

Annual financial report for the year ended 31 December 2017

<https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2017>

The audited consolidated financial statements of the Sibanye-Stillwater Group for the financial year ended 31 December 2017 are set out on pages 41 to 100 (inclusive) in the annual financial report for the financial year ended 31 December 2017, available from Sibanye-Stillwater's website at the link referred to above.

**Definitions**

Certain words and terms used in this document are defined in Part X of this document.

All times shown in this document are references to UK times, unless otherwise stated.

Dated 25 April 2019

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## **ACTION TO BE TAKEN**

### **VOTING AT THE COURT MEETING AND LONMIN GENERAL MEETING**

The Scheme will require approval at a meeting of the Lonmin Shareholders convened pursuant to an order of the Court to be held at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG at 11:30 a.m. (UK time) on 28 May 2019.

Implementation of the Scheme will also require the approval of the Special Resolution by Lonmin Shareholders at the Lonmin General Meeting to be held at the same place at 11:45 a.m. (UK time) on 28 May 2019 (or as soon thereafter as the Court Meeting concludes or is adjourned).

**Notices of the Lonmin Shareholder Meetings are set out in Part XI and Part XII of this document.**

#### **All Lonmin Shareholders**

Please check that you have received the following with this document:

- a blue Form of Proxy for use in respect of the Court Meeting on 28 May 2019; and
- a white Form of Proxy for use in respect of the Lonmin General Meeting on 28 May 2019.

Lonmin Shareholders who are Eligible Dealing Facility Participants will also find enclosed with this document terms and conditions for the Dealing Facility and a Free Share Dealing Service Form (and a “Customer Identification and Verification Documents” form, if applicable) together with a pre-paid envelope (for use within the United Kingdom or South Africa (as applicable) only). For further details of the Dealing Facility, see paragraph 2 of Part V of this document.

If you have not received the correct documents, please contact the relevant Lonmin Registrar on the appropriate Shareholder Helpline as follows:

- Equiniti, the UK Registrar, on 0333 207 5963 for Lonmin Shareholders registered on the UK Register calling from within the United Kingdom (or +44 121 415 0088 for Lonmin Shareholders registered on the UK Register calling from outside the United Kingdom). Lines are open from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales).
- Link Market Services, the South African Registrar, on 0861 472 644 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from within South Africa (or (+27) 011 029 0112 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from outside South Africa). Lines are open from 8:00 a.m. to 4:30 p.m. (South African standard time) Monday to Friday (except South African public holidays).

#### **Underlying SA Shareholders who hold Lonmin Shares in uncertificated form through the Strate system with “own name” registration and without “own name” registration**

Please contact the CSDP or broker holding the Lonmin Shares on your behalf to provide your voting instructions. Voting instructions should be submitted to the relevant CSDP or broker in the manner, and within the time period, required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between you and your CSDP or broker.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Lonmin Shareholder opinion. Lonmin Shareholders are therefore strongly urged to complete, sign and return both Forms of Proxy or appoint a proxy electronically as soon as possible.**

**The completion and return of the relevant Form of Proxy or appointment of a proxy electronically in accordance with one of the methods set out below, will not prevent Lonmin Shareholders from attending and voting at the Court Meeting or the Lonmin General Meeting or at any adjournment thereof, if they wish and are entitled to do so.**

**Underlying SA Shareholders are strongly urged to provide voting instructions to their CSDP or broker (as applicable) in accordance with the terms of the custody agreement entered into with their CSDP or broker.**

**Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration who wish to attend the Court Meeting or the Lonmin General Meeting in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so. Voting instructions or applications for letters of representation should be submitted to the relevant CSDP or broker within the time period required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between the Underlying SA Shareholder and their CSDP or broker. If the relevant CSDP or broker does not obtain voting instructions from Underlying SA Shareholders or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the relevant Underlying SA Shareholder and the CSDP or broker.**

## **LONMIN SHAREHOLDERS REGISTERED ON THE UK REGISTER HOLDING CERTIFICATED LONMIN SHARES**

### **(i) Sending Forms of Proxy by post, by hand or by courier**

Lonmin Shareholders holding certificated Lonmin Shares on the UK Register should complete, sign and return both of their Forms of Proxy by posting them to the address specified thereon as soon as possible and in any event so as to be received by Equiniti, the UK Registrar, by no later than the following times and dates:

- blue Forms of Proxy for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- white Forms of Proxy for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

This will enable your votes to be counted at the Court Meeting and Lonmin General Meeting in the event of your absence.

Forms of Proxy are pre-addressed and may be posted without an envelope to Equiniti using the freepost address included thereon. If you would prefer to send your Forms of Proxy to Equiniti using an envelope, the envelope should be sent to the following freepost address: The Registrar for Lonmin plc, Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 8LU, United Kingdom. Please note that this address is different to that included on the Forms of Proxy themselves.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019 (or any adjournment thereof). However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

### **(ii) Online proxy appointment**

Lonmin Shareholders holding certificated Lonmin Shares registered on the UK Register can also register their proxy appointment electronically by logging onto the website of Equiniti, the UK Registrar, at [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the online instructions.

For an electronic proxy appointment to be valid, the appointment must be received by Equiniti, the UK Registrar, by no later than the following times and dates:

- for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;

- for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

Please note that separate appointments of a proxy or proxies need to be made for the Court Meeting and the Lonmin General Meeting.

## **LONMIN SHAREHOLDERS REGISTERED ON THE UK REGISTER HOLDING UNCERTIFICATED LONMIN SHARES THROUGH CREST**

### **(i) CREST electronic proxy appointment service**

Lonmin Shareholders who hold Lonmin Shares on the UK Register through CREST and who wish to appoint a proxy or proxies for the Court Meeting and Lonmin General Meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual (available at [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (a "**CREST Proxy Instruction**"). The CREST Proxy Instruction, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, to be valid, be transmitted so as to be received by Equiniti, the UK Registrar, (ID – RA19) no later than:

- for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host (in this context, Equiniti)) from which Equiniti are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the proxy through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Lonmin may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

### **(ii) Sending Forms of Proxy by post, by hand or by courier, or online proxy appointment**

Lonmin Shareholders who hold Lonmin Shares on the UK Register through CREST may, as an alternative to using the CREST electronic proxy appointment service, appoint a proxy by completing

and returning a blue Form of Proxy and a white Form of Proxy, or do so electronically through the website of Equiniti, the UK Registrar, at [www.sharevote.co.uk](http://www.sharevote.co.uk), in each case, in accordance with the instructions set out above.

## **LONMIN SHAREHOLDERS REGISTERED ON THE SOUTH AFRICAN REGISTER HOLDING LONMIN SHARES IN CERTIFICATED FORM**

### **(i) Sending Forms of Proxy by post, by hand or by courier**

Lonmin Shareholders registered on the South African Register holding Lonmin Shares in certificated form should complete, sign and return both of their Forms of Proxy in accordance with the instructions printed on them as soon as possible and in any event so as to be received by Link Market Services, the South African Registrar by no later than the following times and dates:

- blue Forms of Proxy for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- white Forms of Proxy for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

Forms of Proxy are pre-addressed and may be posted without an envelope to Link Market Services using the freepost address included thereon. If you would prefer to send your Forms of Proxy to Link Market Services using an envelope, the envelope should be sent to the following freepost address: Link Market Services South Africa, Proprietary Limited, P.O. Box 4844, Johannesburg, 2000, South Africa.

This will enable your votes to be counted at the Court Meeting and Lonmin General Meeting in the event of your absence.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019 (or any adjournment thereof). However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

### **(ii) Online proxy appointment**

Lonmin Shareholders registered on the South African Register holding Lonmin Shares in certificated form can also register their proxy appointment electronically by logging onto the website of Equiniti, the UK Registrar, at [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the online instructions.

For an electronic proxy appointment to be valid, the appointment must be received by Equiniti, the UK Registrar, no later than the following times and dates:

- for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

This will enable your votes to be counted at the Lonmin Shareholder Meetings in the event of your absence. Please note that separate appointments of a proxy or proxies need to be made for the Court Meeting and the Lonmin General Meeting.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019 (or any adjournment thereof). However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.



## **UNDERLYING SA SHAREHOLDERS HOLDING LONMIN SHARES IN UNCERTIFICATED FORM THROUGH THE STRATE SYSTEM WITH “OWN NAME” REGISTRATION OR WITHOUT “OWN NAME” REGISTRATION**

Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration and who wish to provide voting instructions for (but not attend in person) the Lonmin Shareholder Meetings or any adjournments thereof should, within the time period required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between the Underlying SA Shareholder and their CSDP or broker, provide their CSDP or broker with their voting instructions in accordance with the terms of such custody agreement. Any such Underlying SA Shareholders who wish to attend one or both of the Lonmin Shareholder Meetings in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so.

If the relevant CSDP or broker does not obtain voting instructions from such Underlying SA Shareholders, or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the Underlying SA Shareholder and the CSDP or broker.

## **OTHER INDIRECT LONMIN SHAREHOLDERS**

If you hold Lonmin Shares indirectly (other than if you are an Underlying SA Shareholder holding Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration, in which case, please refer to the paragraph above), you must rely on the procedures of the bank, broker, financial institution, nominee or share plan administrator through which you hold Lonmin Shares. You should contact such intermediary for instructions on how you can instruct that intermediary to vote on your behalf at the Lonmin Shareholder Meetings and the date by which you must provide such instructions to the intermediary.

## **MULTIPLE PROXY APPOINTMENTS**

Lonmin Shareholders are entitled to appoint a proxy in respect of some or all of their Lonmin Shares and are also entitled to appoint more than one proxy (whether in respect of some or all of their Lonmin Shares).

A space has been included in the Forms of Proxy to allow Lonmin Shareholders to specify the number of Lonmin Shares in respect of which that proxy is appointed. Lonmin Shareholders who return a Form of Proxy duly executed but leave this space blank will be taken to have appointed the proxy in respect of all of their Lonmin Shares.

If you are a Lonmin Shareholder and wish to appoint multiple proxies in connection with the Court Meeting or the Lonmin General Meeting, you may:

- (a) photocopy the relevant Form(s) of Proxy, fill in each copy in respect of different shares and send the multiple forms together to the relevant Lonmin Registrar at the relevant address set out above; or
- (b) call the relevant Lonmin Registrar on the appropriate Shareholder Helpline, being Equiniti, the UK Registrar, on 0333 207 5963 (from within the United Kingdom) if you are a Lonmin Shareholder registered on the UK Register or Link Market Services, the South African Registrar, on 0861 472 644 (from within South Africa) if you are a Lonmin Shareholder holding Lonmin Shares in certificated form on the South African Register, who will then issue you with multiple Forms of Proxy.

In each case, please ensure that all of the multiple Forms of Proxy in respect of one registered holding are sent in the same envelope if possible.

## **OVERSEAS SHAREHOLDERS**

Please refer to paragraph 15 of Part II of this document if: (i) you have a registered address in or are resident in, ordinarily resident in, or a citizen of, a jurisdiction outside the United Kingdom or South

Africa; or (ii) you have a registered address in or are resident in, ordinarily resident in, or a citizen of, the United States. The implications of the Scheme may be affected by the laws of the relevant jurisdiction and such Lonmin Shareholders should inform themselves about and observe all applicable legal requirements.

### **LONMIN ADS HOLDERS**

Lonmin ADS Holders should refer to paragraph 14 of Part II of this document.

### **LONMIN SHARE PLANS**

Details of the arrangements proposed to be implemented in relation to the Lonmin Share Plans in connection with the Transaction are set out in paragraph 17 of Part II of this document.

#### **SHAREHOLDER HELPLINES**

If you have not received all of the relevant documents or have any questions relating to this document or the completion and return of the Forms of Proxy, please call the relevant Lonmin Registrar on the appropriate Shareholder Helpline, as follows:

- Equiniti, the UK Registrar, on 0333 207 5963 for Lonmin Shareholders registered on the UK Register calling from within the United Kingdom (or +44 121 415 0088 for Lonmin Shareholders registered on the UK Register calling from outside the United Kingdom). Lines are open from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales).
- Link Market Services, the South African Registrar, on 0861 472 644 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from within South Africa (or (+27) 011 029 0112 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from outside South Africa). Lines are open from 8:00 a.m. to 4:30 p.m. (South African standard time) Monday to Friday (except South African public holidays).

Calls to the Shareholder Helplines from outside the United Kingdom or South Africa (as applicable) will be charged at international rates. Different charges may apply to calls made from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

Please note that Shareholder Helplines cannot provide legal, tax or financial advice or any advice on the merits of the Scheme or the Transaction.

Underlying SA Shareholders holding Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration and who have any questions must contact their respective CSDPs or brokers holding Lonmin Shares on their behalf.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

### 1. OVERVIEW

<u>Event</u>	<u>Time and/or date<sup>(1)</sup></u>
Announcement of the Transaction	14 December 2017
Publication of this document	25 April 2019
Publication of the Sibanye-Stillwater Circular	25 April 2019
Latest time for lodging blue Forms of Proxy and electronic forms of proxy (as applicable) for the Court Meeting	11:30 a.m. on 23 May 2019 <sup>(2)</sup>
Latest time for lodging white Forms of Proxy and electronic forms of proxy (as applicable) for the Lonmin General Meeting	11:45 a.m. on 23 May 2019 <sup>(3)</sup>
Voting Record Time	6:30 p.m. on 23 May 2019 <sup>(4)</sup>
Sibanye-Stillwater Shareholder Meeting	8:30 a.m. (South African standard time) on 28 May 2019
<b>Court Meeting</b>	<b>11:30 a.m. on 28 May 2019</b>
<b>Lonmin General Meeting</b>	<b>11:45 a.m. on 28 May 2019<sup>(5)</sup></b>

### 2. PRINCIPAL EVENTS IN THE UNITED KINGDOM<sup>1</sup>

<u>Event</u>	<u>Time and/or date<sup>(1)</sup></u>
Latest date and time for transfers between the UK Register and the South African Register (the “ <b>Register Transfer Deadline</b> ”)	close of business (South African standard time) on 5 June 2019
Scheme Court Hearing to sanction the Scheme	7 June 2019
Last day of dealings in, and for registration of transfers of, Lonmin Shares on the UK Register	7 June 2019
Disablement in CREST of Lonmin Shares	6:00 p.m. on 7 June 2019
Scheme Record Time	6:00 p.m. on 7 June 2019
<b>Effective Time of the Scheme</b>	<b>after 6:00 p.m. on 7 June 2019<sup>(6)</sup></b>
Lonmin Shareholders on the UK Register become entitled to receive New Sibanye-Stillwater Shares <sup>2</sup>	Effective Time of the Scheme
Suspension of trading in Lonmin Shares on the London Stock Exchange’s Main Market for listed securities and suspension of listing on the Financial Conduct Authority’s Official List	7:30 a.m. on 10 June 2019

<sup>1</sup> The dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived and the date on which the Court sanctions the Scheme. Lonmin will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, on SENS and in the usual South African business newspapers for announcements of this nature. Further updates and changes to these times will, at Lonmin’s discretion, be notified in the same way. See also note (1) below. In accordance with Rule 5 of Appendix 7 of the Takeover Code, Lonmin will also announce through a Regulatory Information Service and on SENS key events in the Scheme process including the outcomes of the Lonmin Shareholder Meetings and the Scheme Court Hearing.

<sup>2</sup> The entitlement of Lonmin Shareholders to New Sibanye-Stillwater Shares will arise at the Effective Time of the Scheme on 7 June 2019, however, due to Strate’s T+3 settlement cycle, the New Sibanye-Stillwater Shares will only be credited to the account of the Computershare Nominee, who will hold those New Sibanye-Stillwater Shares on behalf of the relevant Lonmin Shareholder, on 13 June 2019. If such Lonmin Shareholders would like to trade their entitlement to New Sibanye-Stillwater Shares on or after Admission of the New Sibanye-Stillwater Shares but before the New Sibanye-Stillwater Shares are credited on 13 June 2019, they should contact the Computershare Nominee, a CSDP or broker to make the necessary arrangements.

<u>Event</u>	<u>Time and/or date<sup>(1)</sup></u>
Admission of, and commencement of unconditional dealings in, the New Sibanye-Stillwater Shares on the Johannesburg Stock Exchange (“ <b>Admission Date</b> ”)	9:00 a.m. (South African standard time) on 10 June 2019
New Sibanye-Stillwater Shares credited to the account in the Strate system of the Computershare Nominee holding New Sibanye-Stillwater Shares on behalf of Lonmin Shareholders on the UK Register	commencement of trading (South Africa standard time) on 13 June 2019
Delisting of Lonmin Shares on the London Stock Exchange	as soon as reasonably practicable after 7 June 2019 <sup>(10)</sup>
Longstop Date	30 June 2019 <sup>(7)</sup>

### 3. PRINCIPAL EVENTS IN SOUTH AFRICA<sup>3</sup>

<u>Event</u>	<u>Time and/or date<sup>(1)</sup></u>
Final timetable released on SENS	25 April 2019
Latest date and time for transfers between the UK Register and the South African Register	close of business (South African standard time) on 5 June 2019
Scheme Court Hearing to sanction the Scheme	7 June 2019
Last day to trade on the Johannesburg Stock Exchange in Lonmin Shares registered on the South African Register	7 June 2019
<b>Effective Time of the Scheme</b>	<b>after 6:00 p.m. on 7 June 2019<sup>(6)</sup></b>
Lonmin Shareholders on the South African Register become entitled to receive New Sibanye-Stillwater Shares <sup>4</sup>	Effective Time of the Scheme
Suspension of listing of Lonmin Shares on the Johannesburg Stock Exchange	commencement of trading on the JSE at 9:00 a.m. (South African standard time) on 10 June 2019 <sup>(8)</sup>
Admission of, and commencement of unconditional dealings in, the New Sibanye-Stillwater Shares on the Johannesburg Stock Exchange	9:00 a.m. (South African standard time) on 10 June 2019
JSE Record Date for Underlying SA Shareholders who hold Lonmin Shares in uncertificated form through the Strate system	5:00 p.m. (South African standard time) on 12 June 2019 <sup>(9)</sup>

<sup>3</sup> The timetable of events on the Johannesburg Stock Exchange has been determined in consultation with the Johannesburg Stock Exchange on the basis that Underlying SA Shareholders should have the ability to deal in their entitlement to Lonmin Shares for at least as long as other Lonmin Shareholders are able to do so, including those on the UK Register. The result is that the JSE Record Date for Underlying SA Shareholders is the third Business Day after the Effective Date. This does not have an impact on the record date for the Scheme under English law because the member of record in relation to the Underlying SA Shareholders is the Strate Nominee.

The timing of Admission of the New Sibanye-Stillwater Shares has been agreed with the Johannesburg Stock Exchange in respect of Underlying SA Shareholders. The agreed timing allows for the settlement of New Sibanye-Stillwater Shares in respect of Underlying SA Shareholders at the JSE Record Date based on Strate’s T+3 settlement cycle. Underlying SA Shareholders’ attention is drawn to the fact that this will not preclude Underlying SA Shareholders from dealing in their entitlements to the New Sibanye-Stillwater Shares from 9:00 a.m. (South African standard time) on the Admission Date.

<sup>4</sup> The entitlement of Lonmin Shareholders to New Sibanye-Stillwater Shares will arise at the Effective Time of the Scheme on 7 June 2019, however, due to Strate’s T+3 settlement cycle, the New Sibanye-Stillwater Shares will only be credited to the account of the Computershare Nominee, CSDP or broker (as applicable) who will hold those New Sibanye-Stillwater Shares on behalf of the relevant Lonmin Shareholder, on 13 June 2019. If such Lonmin Shareholders would like to trade their entitlement to New Sibanye-Stillwater Shares on or after Admission of the New Sibanye-Stillwater Shares but before the New Sibanye-Stillwater Shares are credited on 13 June 2019, they should contact the Computershare Nominee, a CSDP or broker to make the necessary arrangements.

<u>Event</u>	<u>Time and/or date<sup>(1)</sup></u>
New Sibanye-Stillwater Shares credited to the account in the Strate system of the Computershare Nominee holding New Sibanye-Stillwater Shares on behalf of Lonmin Shareholders on the South African Register	commencement of trading (South African standard time) on 13 June 2019
Strate system / CSDP / broker accounts of Underlying SA Shareholders credited / updated with New Sibanye-Stillwater Shares	commencement of trading (South African standard time) on 13 June 2019
Delisting of Lonmin Shares on the Johannesburg Stock Exchange	As soon as reasonably practicable after 7 June 2019 <sup>(10)</sup>
Longstop Date	30 June 2019 <sup>(7)</sup>

#### 4. PRINCIPAL EVENTS IN RELATION TO THE LONMIN ADS PROGRAMME

<u>Event</u>	<u>Time and/or date<sup>(1)</sup></u>
Latest date and time to trade Lonmin ADSs	7 June 2019

As soon as reasonably practicable following Completion, the Lonmin Depositary will make a further announcement and it is expected that the Lonmin ADS programme will be closed 90 days after that announcement.

##### Notes:

- (1) The dates and times given are indicative only and are based on current expectations and may be subject to change. References to times are to UK time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be announced via a Regulatory Information Service, on SENS and in the usual South African business newspapers for announcements of this nature.
- (2) The blue Forms of Proxy for the Court Meeting (but **not** the white Forms of Proxy) may, alternatively, be handed to a representative of Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019 (or any adjournment thereof). However, if possible, Lonmin Shareholders are requested to lodge the blue Forms of Proxy with the relevant Lonmin Registrar at least 48 hours (excluding any part of a day that is a non-working day) before the time appointed for the Court Meeting (or any adjournment thereof). In the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid – see note (3) below.
- (3) The white Form of Proxy for the Lonmin General Meeting must be lodged with the relevant Lonmin Registrar by no later than 11:45 a.m. (UK time) on 23 May 2019 in order for it to be valid, or, if the Lonmin General Meeting is adjourned, no later than 48 hours (excluding any part of a day that is a non-working day) before the time fixed for the holding of the adjourned Lonmin General Meeting. If the white Form of Proxy is not returned by such time, it will be invalid.
- (4) If either Lonmin Shareholder Meeting is adjourned, the Voting Record Time for the adjourned Lonmin Shareholder Meeting will be 6:30 p.m. (UK time) on the date which is two Business Days before the date set for the adjourned Lonmin Shareholder Meeting.
- (5) To commence at the time fixed or immediately after the conclusion or adjournment of the Court Meeting.
- (6) The “Effective Date” and the “Effective Time” of the Scheme is the date and time, respectively, on which the Scheme becomes Effective pursuant to its terms and will be on delivery of the Scheme Court Order approving the Scheme to the Registrar of Companies in the UK. The Scheme Court Order approving the Scheme is expected to be delivered to the Registrar of Companies in the UK following the suspension of trading in Lonmin Shares on the London Stock Exchange and the Scheme Record Time on 7 June 2019, at which time and date the Scheme will become Effective (i.e. the Effective Time and the Effective Date, respectively). The events which are stated as occurring on subsequent dates, including the crediting of the CREST system account and Strate system/CSDP accounts, are conditional on the Effective Date and operate by reference to this time.
- (7) This is the latest date by which the Scheme may become Effective. However, the Longstop Date may be extended to such later date as may be agreed in writing by Lonmin and Sibanye-Stillwater (with the Panel's consent and as the Court may approve (if such approval(s) are required)). On 15 January 2019, Sibanye-Stillwater and Lonmin entered into an amendment agreement to the Co-operation Agreement under which the Longstop Date was amended from 28 February 2019 to 30 June 2019.
- (8) Lonmin Shares on the South African Register cannot be dematerialised or rematerialised from the commencement of trade on the date that Lonmin Shares are suspended from listing on the Johannesburg Stock Exchange.
- (9) The JSE Record Date is the record date for Underlying SA Shareholders who hold Lonmin Shares in uncertificated form in the Strate system. Beneficial entitlements to New Sibanye-Stillwater Shares will be credited to the Strate system/CSDP accounts of such Underlying SA Shareholders on 13 June 2019. The timetable for Underlying SA Shareholders who hold Lonmin Shares in uncertificated form in the Strate system has been aligned to the timetable applicable to Lonmin Shareholders who hold Lonmin Shares on the UK Register to enable such Underlying SA Shareholders to continue to deal in their Lonmin Shares, with the last day of trading Lonmin Shares being the same for the London Stock Exchange and the Johannesburg Stock Exchange.
- (10) The delisting of the Lonmin Shares on the London Stock Exchange and on the Johannesburg Stock Exchange shall only occur after Sibanye-Stillwater has acquired full title to the Lonmin Shares (i.e. once the Scheme has become effective in accordance with its terms and the Lonmin Register of Members is updated to reflect Sibanye-Stillwater as the Holder of the Lonmin Shares). Accordingly, this timing is subject to change and a further announcement will be made on or around 13 June 2019.

## PART I

### LETTER FROM THE CHAIRMAN OF LONMIN PLC

(Registered in England and Wales with Registered Number 00103002)

#### **Directors**

**Brian Beamish**, *Non-Executive Chairman*  
**Ben Magara**, *Chief Executive Officer*  
**Barrie van der Merwe**, *Chief Financial Officer*  
**Jonathan Leslie**, *Senior Independent Non-Executive Director*  
**Kennedy Bungane**, *Non-Executive Director*  
**Gillian Fairfield**, *Independent Non-Executive Director*  
**Sizwe Nkosi**, *Non-Executive Director*  
**Varda Shine**, *Independent Non-Executive Director*

#### **Registered office**

Connaught House 5<sup>th</sup> Floor  
1-3 Mount Street  
London  
W1K 3NB  
United Kingdom

25 April 2019

*To Lonmin Shareholders and, for information only, to participants in the Lonmin Share Plans, Underlying SA Shareholders and other persons with information rights*

Dear Lonmin Shareholder

### **RECOMMENDED ALL-SHARE OFFER FOR LONMIN BY SIBANYE-STILLWATER TO BE EFFECTED BY MEANS OF A SCHEME OF ARRANGEMENT UNDER PART 26 OF THE UK COMPANIES ACT**

#### **1. INTRODUCTION**

On 14 December 2017, the boards of Lonmin and Sibanye-Stillwater announced that they had agreed the terms of a recommended all-share offer by Sibanye-Stillwater to acquire the entire issued and to be issued ordinary share capital of Lonmin to form the Enlarged Sibanye-Stillwater Group.

On 25 April 2019, the boards of Lonmin and Sibanye-Stillwater announced they had reached an agreement on the terms of an increased recommended all-share offer whereby each Lonmin Shareholder will now be entitled to receive one New Sibanye-Stillwater Share for each Lonmin Share that they hold as at the Effective Time of the Scheme ("**Revised Exchange Ratio**"). This represents an increase of 3.4 per cent. (or an additional 0.033 New Sibanye-Stillwater Shares per Lonmin Share held). The increase reflects the recent recovery in the PGM pricing environment, balanced against the fact that Lonmin continues to be financially constrained and unable to fund the significant investment required to sustain its business and associated employment.

It is intended that the Transaction will be implemented by means of a Court-sanctioned scheme of arrangement between Lonmin and Lonmin Shareholders pursuant to Part 26 of the UK Companies Act. The Scheme is conditional upon, among other things, the approval of Lonmin Shareholders at the Court Meeting and the sanction of the Court, and the approval of the Special Resolution at the Lonmin General Meeting. The allotment and issue of the New Sibanye-Stillwater Shares in connection with the Transaction also requires the approval of Sibanye-Stillwater's shareholders. The Scheme is subject to a number of other Conditions, which are set out in full in Part III of this document. The provisions of the Scheme are set out in Part IV of this document.

I am writing to you to set out a summary of the terms of the Transaction and to explain why the Lonmin Board considers the terms of the Transaction to be in the best interests of Lonmin, Lonmin Shareholders as a whole and other stakeholders, and why it unanimously recommends that you vote in favour of the Scheme at the Court Meeting and in favour of the Special Resolution at the Lonmin General Meeting, both of which will be held at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG. The Court Meeting will start at 11:30 a.m. (UK time) on 28 May 2019 and the Lonmin General Meeting will start at 11:45 a.m. (UK time) on 28 May 2019 (or as soon thereafter as the Court Meeting has concluded or been adjourned).

This letter also explains the actions you are asked to take. Further details of the Scheme are set out in the Explanatory Statement in Part II of this document.

## 2. SUMMARY OF TERMS AND STRUCTURE OF THE TRANSACTION

Under the terms of the Transaction, which is described in more detail in the Explanatory Statement in Part II of this document and which is subject to the Conditions which are set out in full in Part III of this document and certain further terms in Part IV of this document, Lonmin Shareholders whose names appear on the Lonmin Register of Members at the Scheme Record Time will be entitled to receive:

**for each Lonmin Share**

**one New Sibanye-Stillwater Share**

The Revised Exchange Ratio reflects an increase of 3.4 per cent. (or an additional 0.033 New Sibanye-Stillwater Shares per Lonmin Share held at the Effective Time of the Scheme), compared with the Exchange Ratio of 0.967 New Sibanye-Stillwater Shares for each Lonmin Share held as announced on 14 December 2017.

On the basis of the Revised Exchange Ratio and based on the 30 trading day volume weighted average price of R15.39 of a Sibanye-Stillwater Share on the Johannesburg Stock Exchange for the period ended 23 April 2019 (being the Last Practicable Date) and applying the exchange rate on the Last Practicable Date being R18.511:£1, the Transaction values each Lonmin Share at 83.1 pence.

On the basis of the Revised Exchange Ratio and based on the Closing Price of R14.33 per Sibanye-Stillwater Share on the Last Practicable Date and the exchange rate on that date being R18.511:£1, the terms of the Transaction represent a value of approximately 77.4 pence per Lonmin Share and £226 million for the entire issued and to be issued ordinary share capital of Lonmin.

On the basis of the Exchange Ratio and based on the 30 trading day volume weighted average price of R18.67 of Sibanye-Stillwater Shares on the Johannesburg Stock Exchange for the period ended 13 December 2017 (being the last Business Day prior to the date of the Announcement) and the exchange rate on that date being R18.056:£1, the Transaction valued each Lonmin Share at 100.0 pence and valued the existing issued ordinary share capital of Lonmin at approximately £285 million.

The Exchange Ratio was determined using the 30 trading day volume weighted average price for Sibanye-Stillwater to smooth out the daily share price movements.

On the basis of the Exchange Ratio and based on the closing price of R16.11 of a Sibanye-Stillwater Share on the Johannesburg Stock Exchange on 13 December 2017 and the exchange rate on that date being R18.056:£1, the Transaction valued each Lonmin Share at 86.3 pence.

Following Completion, Lonmin Shareholders will hold approximately 10.9 per cent. of the Enlarged Sibanye-Stillwater Group and Sibanye-Stillwater Shareholders will hold approximately 89.1 per cent. of the Enlarged Sibanye-Stillwater Group.

Subject to the satisfaction or waiver of the Conditions, Completion is expected to occur in June 2019. Since the Announcement in December 2017, certain Conditions have been satisfied, namely the receipt of approval from the Financial Surveillance Department of the South African Reserve Bank as announced on 15 May 2018 and clearance of the CMA in the UK. The SA Competition Tribunal approved the Transaction on 21 November 2018, subject to certain specific conditions, further detail relating to which is set out in paragraph 7 of this Part I. An appeal against the decision and order of the SA Competition Tribunal (which included the conditions imposed by the SA Competition Tribunal) was filed by the AMCU on 19 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course. The Conditions are set out in full in Part III of this document.

It is intended that the Transaction will be implemented by means of a Court-sanctioned scheme of arrangement between Lonmin and Lonmin Shareholders pursuant to Part 26 of the UK Companies Act, further details of which are contained in paragraph 8 of this Part I and paragraph 10 of Part II of this document.

The New Sibanye-Stillwater Shares will, when issued, be ordinary shares in the authorised capital of Sibanye-Stillwater, each with no par value, and will be fully paid and equal in all respects with the Sibanye-Stillwater Shares in issue on the Effective Date.

It is expected that Admission of the New Sibanye-Stillwater Shares to the Main Board of the Johannesburg Stock Exchange will become effective and dealings for normal settlement in the New Sibanye-Stillwater Shares will commence at or shortly after 9:00 a.m. (South African standard time) on the Admission Date.

Fractions of New Sibanye-Stillwater Shares will not be issued pursuant to the Transaction. Under the revised terms of the Transaction, due to the 1:1 Revised Exchange Ratio, it is expected that no fractional entitlements to New Sibanye-Stillwater Shares will arise. Entitlements to New Sibanye-Stillwater Shares pursuant to the Transaction will therefore be calculated in whole numbers of New Sibanye-Stillwater Shares only, resulting in allocations of whole numbers of New Sibanye-Stillwater Shares.

The Lonmin Shares will be acquired pursuant to the Transaction fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive all dividends and other distributions or returns of value declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, by Lonmin by reference to a record date on or after the Effective Date.

New Sibanye-Stillwater Shares will not be distributed to holders of Lonmin ADSs. Holders of Lonmin ADSs should read the explanation in paragraph 14 of Part II of this document.

### **3. BACKGROUND TO AND REASONS FOR THE RECOMMENDATION OF THE TRANSACTION**

In this paragraph 3, the Lonmin Board sets out the background to and reasons for its recommendation of the Transaction. In summary, the Lonmin Board considers the Transaction to be in the best interests of Lonmin Shareholders as a whole, providing Lonmin and its stakeholders with a comprehensive and sustainable solution to the adverse challenges it faces. The combination of Sibanye-Stillwater and Lonmin creates a larger and more resilient company, with greater geographical and commodity diversification which is better able to withstand short term market volatility and business disruption.

#### ***Background***

Lonmin has experienced financial constraints for a number of years caused by a range of factors. The low PGM pricing environment experienced over a number of years, despite a recent recovery, and the inflationary cost pressures of operating in the South African PGM mining industry have significantly impacted Lonmin's revenues and profitability. These factors have been further exacerbated by operational, social and labour issues, including industrial action lasting five months in 2014.

On 21 October 2015, Lonmin announced a rights issue to raise approximately US\$407 million in gross proceeds and an agreement in respect of amended debt facilities with its lenders which, together with a new business plan, were intended to put the Lonmin Group in a stronger financial position and enable it to deal with a low PGM pricing environment. The 2015 rights issue was the third rights issue undertaken by the Lonmin Group since 2009, with aggregate gross proceeds raised from these three rights issues totalling approximately US\$1.6 billion.

Since 2015, Lonmin's strategy has been to focus on factors within its control in order to maintain broadly flat unit costs and sustain cash generation, with a particular focus on reducing fixed costs, removing high cost production, reducing capital expenditure and improving relationships with key stakeholders. However, PGM pricing, inflationary cost pressures and a generally strong R:US\$ exchange rate continued to create a challenging business environment.

On 15 May 2017, as part of its interim results for the period ended 31 March 2017, Lonmin disclosed an issue in relation to the Lonmin Group's ability to continue as a going concern due to a material uncertainty in relation to its existing debt facilities, and the external auditors drew attention to Lonmin's



disclosure in their audit report. This was due to a non-cash impairment to the carrying value of the Lonmin Group's assets, and the possibility that a further impairment could result in Lonmin breaching its consolidated tangible net worth ("TNW") covenants, thereby triggering the potential withdrawal of the Lonmin Group's debt facilities in place at that time. Impairments are driven by variables, including macroeconomic factors outside Lonmin's direct control, such as the period-end R:US\$ exchange rate and the PGM price outlook.

On 7 August 2017, Lonmin announced the initial conclusions of its Operational Review with the primary objective of preserving value for shareholders and safeguarding the long-term interests of employees and all key stakeholders. The immediate results of the Operational Review included initiatives to generate cash and further reduce fixed costs with the objective of supporting a sustainable business in a lower-for-longer pricing environment. This included exploring the potential disposal of selected assets and the reduction in fixed overhead costs by R500 million by the end of the financial year ending 30 September 2018.

On 6 October 2017, Lonmin announced that it had requested and obtained a pre-emptive waiver for its TNW covenants from its lenders until 30 March 2018 to provide sufficient time to reach a conclusion on its Operational Review.

On 3 November 2017, Lonmin announced that the publication of its audited financial statements for the financial year ended 30 September 2017 would be delayed pending potentially significant outcomes of the Operational Review. Lonmin noted that such outcomes (together with ongoing discussions with its existing and prospective lenders) could have a material bearing on the Lonmin Board's assessment of the basis of preparation of the audited financial statements of Lonmin for the financial year ended 30 September 2017 as a going concern.

The offer by Sibanye-Stillwater was announced on 14 December 2017.

On 18 January 2018, Lonmin's lenders agreed to a waiver of the TNW covenants for the period from 30 September 2017 to 28 February 2019, conditional on Completion and on the condition that Lonmin cancelled US\$66 million of its undrawn credit facilities and left the remainder undrawn. Lonmin subsequently announced its results for the financial year ended 30 September 2017 on 22 January 2018.

Lonmin's 2018 interim results released on 14 May 2018 disclosed a material uncertainty which could cast significant doubt over the Lonmin Group's ability to continue as a going concern. This included, in particular, uncertainties concerning the successful completion of the Transaction, Lonmin's ability to successfully sell assets to enable it to repay its US\$150 million loan and uncertainty concerning the substantial achievement of forecasts.

Lonmin announced on 22 October 2018 that it had undertaken a refinancing pursuant to which it and its principal subsidiaries had agreed to enter into a US\$200 million metal purchase agreement with PIM, an associate company of Jiangxi Copper, among others, under which such upfront payment would be amortized over three years (the "**Pangaea Metal Purchase Agreement**"). Lonmin settled its pre-existing term loan of US\$150 million from its own cash resources and cancelled all of its other undrawn debt facilities under the USD Facilities Agreement and the ZAR Facility Agreement.

Although the refinancing provides Lonmin with improved liquidity and removes certain restrictive conditions under the USD Facilities Agreement and the ZAR Facility Agreement, the Pangaea Metal Purchase Agreement does not resolve the fundamental challenges facing Lonmin nor does it offer an opportunity to invest capital into the Lonmin Group's business, nor avoid the planned retrenchments and shaft closures. Lonmin remains exposed to PGM price risk, foreign exchange risk and production disruptions, each of which could have a negative impact on Lonmin's liquidity in the future.

As disclosed in Lonmin's annual results for the year ended 30 September 2018 and announced on 29 November 2018, Lonmin closed its 2018 financial year with a net cash position of US\$114 million, up from US\$103 million at the end of the previous financial year, generating operating profit of US\$101 million. Lonmin exceeded its platinum sales guidance for the year and, while its unit costs increased by 5.2 per cent. to R12,307 per PGM ounce, these costs were within Lonmin's guidance of R12,000 to R12,500 per PGM ounce. Lonmin's financial performance was also assisted by improved

metal prices, with the average Rand full basket price up 19.7 per cent. to R13,447 per PGM ounce. Notwithstanding this performance, Lonmin also reported that it continued to face liquidity constraints and was mindful of the significant investment needed in its mines to preserve and prolong their lifespan.

On 25 March 2019, in his address to Lonmin Shareholders at Lonmin's annual general meeting, the Chairman of Lonmin reported that the 2018 financial year saw Lonmin return to profit with an improved net cash position, assisted by improved production and metal prices. However, in his address, the Chairman also drew attention to Lonmin's continuous financial and operating challenges. As Lonmin announced on 8 February 2019 in its production results for the quarter ended 31 December 2018, platinum production was 10.4 per cent. lower than the respective period in 2018 on the back of reduced mining tonnes, lower grades and recoveries. This resulted in unit costs increasing 16.5 per cent. to R14,795 per PGM ounce. Poor production and correspondingly high unit costs have continued in the second quarter, largely offsetting the benefits of improved PGM prices. Accordingly, Lonmin continues to be financially constrained and unable to fund the significant investment required to sustain its business and associated employment in the future. The challenges facing Lonmin and the industry persist and, as Lonmin is a single asset producer in a single geography, it remains exposed to inflationary cost pressures as well as volatility in PGM pricing and exchange rates.

### ***Offer by Sibanye-Stillwater***

In parallel with its work on the Operational Review in 2017, the Lonmin Board was also in discussions with Sibanye-Stillwater about a possible offer for Lonmin. After careful consideration, the Lonmin Board concluded that the acquisition of Lonmin by Sibanye-Stillwater represented a comprehensive and more certain and sustainable solution to the challenges facing Lonmin, as described above, than Lonmin could achieve by any alternative route. On 14 December 2017, the boards of Sibanye-Stillwater and Lonmin announced that they had reached agreement on the terms of a recommended all-share offer with an Exchange Ratio of 0.967 New Sibanye-Stillwater Shares for each Lonmin Share.

On 25 April 2019, it was announced that the Lonmin Board and the board of Sibanye-Stillwater had reached an agreement on the terms of an increased recommended all-share offer, whereby each Lonmin Shareholder will now be entitled to receive a Revised Exchange Ratio of one New Sibanye-Stillwater Share for each Lonmin Share that they hold as at the Effective Time of the Scheme. This represents an increase of 3.4 per cent. (or an additional 0.033 New Sibanye-Stillwater Shares per Lonmin Share held). The increase reflects the recent recovery in the PGM pricing environment, balanced against the fact that Lonmin continues to be financially constrained and unable to fund the significant investment required to sustain its business and associated employment. Following Completion of the Transaction, the Revised Exchange Ratio provides Lonmin Shareholders with approximately 10.9 per cent. of the Enlarged Sibanye-Stillwater Group.

The Lonmin Board believes that a combination of Sibanye-Stillwater and Lonmin creates a larger and more resilient company, with greater geographical and commodity diversification, that is better able to withstand short-term commodity price and foreign exchange volatility. Lonmin's standalone financial position, although marginally improved since the announcement of the Transaction in December 2017, continues to be fragile and remains significantly exposed to changes in the commodity price and foreign exchange rates, as well as operating conditions and production disruptions. Lonmin's precarious financial position does not allow Lonmin to fund the significant investment required to sustain its business in the future. The Lonmin Board believes that the Transaction secures the long-term future of Lonmin's operations for Lonmin Shareholders and other stakeholders and allows Lonmin Shareholders to participate in the growth and value creation opportunities of the Enlarged Sibanye-Stillwater Group, whilst benefitting from the realisation of the synergies offered by the Transaction.

The Revised Exchange Ratio implies a value per Lonmin Share of 77.4 pence as at the Last Practicable Date. This compares with an implied offer value of 86.3 pence per Lonmin Share on 14 December 2017 when the recommended all-share offer was announced and with Lonmin's share price of 63.8 pence on 13 December 2017, the date before the Announcement. The Lonmin Board continues to support the Transaction and considers that the Revised Exchange Ratio provides Lonmin Shareholders as a whole with a fair and reasonable proportion of the Enlarged Sibanye-Stillwater Group as well as the synergies and value creation that are expected to be created.

The Transaction allows Lonmin Shareholders to participate in:

- the growth and value creation opportunities of the Enlarged Sibanye-Stillwater Group;

- the benefits from the realisation of synergies from the combination of Sibanye-Stillwater and Lonmin; and
- exposure to any continued long-term recovery in the fundamentals of the PGM sector.

The Lonmin Directors, who have been so advised by Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital as to the financial terms of the Transaction, consider the terms of the Transaction to be fair and reasonable. Gleacher Shacklock is providing independent financial advice to the Lonmin Directors for the purposes of Rule 3 of the Takeover Code. In providing advice to the Lonmin Directors, Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital have taken into account the commercial assessments of the Lonmin Directors.

The Lonmin Directors consider the terms of the Transaction to be in the best interests of Lonmin Shareholders as a whole. The Lonmin Directors therefore unanimously recommend that Lonmin Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Lonmin General Meeting.

#### **4. IRREVOCABLE UNDERTAKINGS TO VOTE IN FAVOUR OF THE SCHEME**

Brian Beamish, Ben Magara, Varda Shine and Jonathan Leslie are Lonmin Directors and Dr Len Konar was a Lonmin Director until his resignation which took effect on 14 March 2018. Sibanye-Stillwater has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and to vote in favour of the Special Resolution at the Lonmin General Meeting from Brian Beamish, Ben Magara, Varda Shine, Jonathan Leslie and Dr Len Konar in respect of their entire personal holdings of, in aggregate, 75,498 Lonmin Shares, representing approximately 0.027 per cent. of the issued ordinary share capital of Lonmin as at the Last Practicable Date. The other Lonmin Directors do not hold Lonmin Shares and so have not given irrevocable undertakings.

Further details regarding these irrevocable undertakings are set out in paragraph 5 of Part IX of this document.

#### **5. CURRENT TRADING AND PROSPECTS OF LONMIN**

##### ***Results for the financial year ended 30 September 2018***

As set out in the results for the financial year ended 30 September 2018, published on 29 November 2018, during the 2018 financial year Lonmin continued to implement its existing evolving business plan, taking action to right-size the Lonmin Group, reduce costs and contain capital expenditure. Revenue increased by US\$179 million on the prior year driven by higher PGM prices. Together with other factors, this resulted in an improved net cash position and a return to profitability. However, despite the progress made, Lonmin has continued to be financially constrained and unable to fund the significant investment required to sustain its business and jobs. Financial performance in 2019 will be highly geared to the PGM prices, Rand:US\$ exchange rate and the upcoming union wage negotiations, as well as operational performance.

##### *Operational*

- Platinum sales of 681,580 ounces exceeded Lonmin's sales guidance of 650,000 to 680,000 ounces.
- Unit costs increased 5.2 per cent. to R12,307 per PGM ounce, within Lonmin's unit cost guidance of between R12,000 and R12,500 per PGM ounce, as the 7 per cent. wage increase and other cost escalations were partly offset by the benefit of the reduction in high cost production.
- The rolling LTIFR improved by 11.5 per cent. to 4.0 per million man hours year-on-year from 4.52 per million man hours in the prior year due to a 17.4 per cent. reduction in lost time injuries. Lonmin's twelve month rolling total injury frequency rate to 30 September 2018 improved by 5.2 per cent. to 10.14 per million man hours from 10.70 in the prior year due to a 11.5 per cent. reduction in total injuries. Tragically, however, Mr Tembeleni Manyana was fatally injured on 30 September 2018, following a 15 month fatality-free period from 29 June 2017 to 29 September 2018.

## *Financial*

- Revenue for the year of US\$1,345 million represented an increase of US\$179 million on the prior year, driven by higher PGM prices. The cash flow from operations for the year was US\$110 million, an increase of US\$57 million on 2017 driven by the improved profitability. Capital expenditure in the year was US\$73 million, a decrease of US\$27 million on 2017 due to the management's focus on limiting capital expenditure.
- The operating profit for the year was US\$101 million compared to the prior year operating loss of US\$1,079 million which included an impairment charge of US\$1,053 million. Earnings per share for the year were 14.9 cents (increased from loss per share of 352.7 cents in 2017).
- Net cash at 30 September 2018 was US\$114 million, being gross cash of US\$264 million offset by the drawn term loan of US\$150 million. Net cash was US\$11 million higher than 30 September 2017 and US\$97 million higher than March 2018. The US\$47 million of metal-in-process that was locked up at the smelter in the first half of the year was released fully during the second half as planned.
- As noted in paragraph 3 of Part I of this document, on 22 October 2018, Lonmin announced that it and its principal subsidiaries had undertaken a refinancing of its debt arrangements by entering into the Pangaea Metal Purchase Agreement, a US\$200 million forward metal sale agreement with PIM, an associate company of Jiangxi Copper, among others, pursuant to which such upfront payment would be amortised over three years. Lonmin consequently settled its pre-existing term loan and cancelled all its other pre-existing undrawn facilities. The new facility has improved Lonmin's short-term liquidity and has removed certain restrictive conditions contained in the previous debt facilities (notably the tangible net worth covenant). This new facility is not, however, a long-term solution to the challenges faced by Lonmin and does not offer an opportunity to avoid announced retrenchments and staff closures. Further details of this agreement are set out in paragraph 6 of Part IX of this document.

## ***First quarter production report***

As set out in the production report for the quarter ended 31 December 2018 and published on 8 February 2019:

- Total mining production for the first quarter of 2019 was 2.2 million tonnes, a decrease of 7.0 per cent. or 166,000 tonnes on the first quarter of 2018.
- Refined Platinum production of 144,651 ounces for the first quarter of 2019 was 10.4 per cent. lower than in the first quarter of 2018, due to reduced mining tonnes, lower grades and recoveries.
- Platinum sales of 140,488 ounces and PGM sales of 255,152 ounces for the first quarter of 2019 were, respectively, 4.6 per cent. and 12.7 per cent. lower than in the first quarter of 2018.
- Lonmin's US Dollar basket price (including base metal revenue) for the first quarter of 2019 increased by 11.2 per cent. on the first quarter of 2018 to US\$1,076 per PGM ounce, while the corresponding Rand basket price increased by 17.0 per cent. on the first quarter of 2018 to R15,389 per PGM ounce.
- The average Rand to US Dollar exchange rate was 5.0 per cent. weaker at 14.29 compared to the first quarter of 2018.
- Lonmin's unaudited total cost of production for the first quarter of 2019 was R3.9 billion, compared with R3.7 billion in the first quarter of 2018. Lonmin's unit costs for the first quarter of 2019 were R14,795 per PGM ounce (on a 6E basis, meaning all six PGM elements are factored in to the calculation), an increase of 16.5 per cent. on the first quarter of 2019.
- Improved liquidity and debt maturity profile was achieved through the new US\$200 million forward metal sale facility (being the Pangaea Metal Purchase Agreement), which amortises over three years, and the early settlement of the pre-existing term loan of US\$150 million which was due to expire in May 2019.
- Liquidity or gross cash at 31 December 2018 was US\$230 million, compared to US\$215 million at 31 December 2017 and US\$264 million at 30 September 2018. At 31 December 2018, the balance due on the Pangaea Metal Purchase Agreement was US\$190 million.

### ***Lonmin net cash position***

In the Announcement, Lonmin announced that, as at 12 December 2017 (being the last practicable date prior to the date of the Announcement), the Lonmin Group maintained a net cash position, such that the total value of the cash (including cash equivalents and other liquid assets) available to the Lonmin Group exceeded the total value of the debts and liabilities of the Lonmin Group. Lonmin confirms that as at the Last Practicable Date, the Lonmin Group maintains a net cash position when assessed on a basis consistent with that adopted on the date of the Announcement and confirms that it shall notify Sibanye-Stillwater in writing if, at any time prior to the Effective Date, the Lonmin Group moves, or anticipates that it will move, to a net debt position on this basis.

## **6. SIBANYE-STILLWATER'S INTENTIONS AND STRATEGIC PLANS FOR LONMIN AND THE ENLARGED SIBANYE-STILLWATER GROUP**

Your attention is drawn to the statement of Sibanye-Stillwater's intentions and strategic plans for Lonmin and the Enlarged Sibanye-Stillwater Group on Completion set out in paragraph 7 of Part II of this document.

The Lonmin Board is pleased to note the statements made by Sibanye-Stillwater, as set out in paragraph 7 of Part II of this document that, following Completion, the contractual and statutory employment rights, including in relation to pensions, of all Lonmin employees will be fully observed in accordance with applicable law.

The Lonmin Board notes the statement of Sibanye-Stillwater's intentions and strategic plans for Lonmin and the Enlarged Sibanye-Stillwater Group on Completion as set out in paragraph 7 of Part II of this document and that Sibanye concurs that the measures proposed by Lonmin as described above are necessary as mining operations reach the end of their reserve lives.

In accordance with the requirements of Rule 2.11 of the Takeover Code, Lonmin has made available to employee representatives (or, where there are none, to the employees themselves) and pension scheme trustees a copy of the Announcement and has informed them of the right of employee representatives and pension scheme trustees under Rule 25.9 of the Takeover Code to require that a separate opinion of the employee representatives or pension scheme trustees on the effects of the Transaction to be appended to this document.

## **7. CONDITIONS IMPOSED ON SIBANYE-STILLWATER BY THE SA COMPETITION TRIBUNAL WITH RESPECT TO THE TRANSACTION**

On 21 November 2018, the SA Competition Tribunal approved the Transaction on conditions that, *inter alia*, Sibanye-Stillwater:

- does not retrench any Lonmin employees for a period of six months following the date on which the Transaction is implemented (for clarity, retrenchments do not include: (i) voluntary separation arrangements; (ii) voluntary early retirement packages; (iii) unreasonable refusals to be redeployed in accordance with the provisions of the LRA; (iv) resignations or retirements in the ordinary course of business; (v) terminations in the ordinary course of business, including but not limited to, dismissals as a result of misconduct or poor performance, (vi) any decision not to renew or extend a contract of a contract worker; and (vii) the initiation of proceedings in terms of section 189 of the LRA as long as such proceedings are not finalised before the expiry of the aforesaid six month period). The provisions of the LRA and the MPRDA will continue to apply to any retrenchments that may be effected post implementation;
- will implement various short-term projects at Lonmin's operations to save some 3,714 jobs in the period to 2020. Such job savings are anticipated to be brought about through a combination of avoiding or delaying the closure of shafts/mines Lonmin had earmarked for closure and/or the development of new projects, but are, however, subject to: (i) 4E prices increasing to certain thresholds; (ii) "all-in-sustaining cost bases" of certain shafts/projects being reduced (on a sustainable basis) to certain levels; and (iii) in certain instances, the completion of confirmatory technical and economic assessments. In the event that the aforementioned variables and pre-requisites are not met, the Enlarged Sibanye-Stillwater Group may not be in a position to save all the jobs contemplated to be saved by 2020;

- will, within a period of 12 months of the date on which the Transaction is implemented, also complete confirmatory technical and economic assessments in respect of certain long-term projects at Lonmin in order to consider the economic viability thereof and potential ability to undertake/operationalise same;
- ensures, that: (i) a feasibility study is conducted in order to understand whether an “Agri-Industrial Community Development Programme” initiative similar to that which it is currently implementing in the greater West Rand district (a “multi-stakeholder” agricultural initiative that is aimed at the promotion of sustainable economic activity, the long term objective of which is to build and support a portfolio of large, medium and small-scale, transformed and financially sustainable agricultural enterprises that are capable of operating effectively across the entire agricultural value chain) can potentially be developed and implemented in the Rustenburg area (the feasibility study is to be completed within one year of the finalisation of the implementation schedule and roll-out plan in respect of the Agri-Industrial Community Development Programme in respect of the greater West Rand district); and (ii) should such feasibility study support the rolling out of such an initiative in the Rustenburg area, to contribute land measuring approximately 500 hectares in extent at its Rustenburg Operations. Importantly, the Agri-Industrial Community Development Programme initiative involves a variety of stakeholders each of which has a different role to play in respect of the initiative and the decision on whether or not to proceed with the initiative in the Rustenburg area does not lie with Sibanye-Stillwater alone. Furthermore, the feasibility study will be performed after consultation with the Bapo Traditional Community, representatives of the Greater Lonmin Community, Sikhala Sonke, the Mining Forum of South Africa, trade unions, and other affected communities to discuss the envisaged Agri-Industrial Community Development Programme and feasibility study to be undertaken and to solicit their views. If the feasibility study does not support the rolling out of the initiative, Sibanye-Stillwater will, for a period of two years consult with the above stakeholders to explore other options to achieve similar objectives;
- continues to honour Lonmin’s existing SLP 2 (which expired in September 2018) as well as its new SLP 3 (once agreed and finalised by the Department of Mineral Resources);
- establishes a Community Engagement Forum within a period of six months of the date of Completion of the Transaction for currently-affected communities and stakeholders of Lonmin (being trade unions and various local interest groups). The purpose of the Community Engagement Forum will be to provide information and to solicit the views of the affected community and stakeholders of Lonmin on Sibanye-Stillwater’s commitments under SLP 2 and/or SLP 3, as applicable, and to apprise the Community Engagement Forum of Sibanye-Stillwater’s performance under the commitments;
- continues to honour the various existing agreements of Lonmin with the Bapo ba Mogale Community as they existed on the date of the Announcement; and
- continues to honour existing contracts that Lonmin has with HDP suppliers on the terms as they existed on the date of the Announcement. Sibanye-Stillwater will also endeavour to continue to procure from HDP suppliers that are registered as vendors of Lonmin but which do not currently have formal contracts with Lonmin, on reasonable commercial terms, and will endeavour that any contracts pertaining to Lonmin’s operations that may be concluded in the future, be concluded in a manner that is consistent with Sibanye-Stillwater’s existing HDP procurement policy and, at a minimum, comply with applicable requirements set out in the Mining Charter, as may be determined from time to time.

The SA Competition Tribunal’s conditions are subject to various monitoring provisions. An appeal against the decision and order of the SA Competition Tribunal (which included the conditions imposed by the SA Competition Tribunal) was filed by the AMCU on 19 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course.

For the avoidance of doubt, the conditions imposed by the SA Competition Tribunal or CACSA and any commitments given by Sibanye-Stillwater with respect to such conditions do not constitute “post-offer undertakings” for the purposes of Rule 19.5 of the Takeover Code and are therefore not enforceable by

the Panel as post-offer undertakings, and no view has been expressed by the Panel in relation to such conditions or any commitments including the giving and enforceability thereof.

## **8. DESCRIPTION OF THE SCHEME AND THE LONMIN SHAREHOLDER MEETINGS**

The Transaction is to be implemented by means of a Court-sanctioned scheme of arrangement between Lonmin and Lonmin Shareholders pursuant to Part 26 of the UK Companies Act.

The Scheme is a legal process under the UK Companies Act, the purpose of which is to enable Sibanye-Stillwater to become the owner of the entire issued and to be issued ordinary share capital of Lonmin. In order to achieve this, it is proposed that all Lonmin Shares will be transferred to Sibanye-Stillwater, in consideration for which Lonmin Shareholders whose names appear on the Lonmin Register of Members at the Scheme Record Time will be entitled (subject to certain terms and conditions) to receive New Sibanye-Stillwater Shares on the basis set out in paragraph 2 of Part I of this document.

In order for the Scheme to become Effective (among other things):

- at the Court Meeting, the Scheme must be approved by a majority in number of the Lonmin Shareholders present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Lonmin Shares voted by such Lonmin Shareholders;
- at the Lonmin General Meeting, the Special Resolution must be approved by Lonmin Shareholders representing at least 75 per cent. of the votes cast (either in person or by proxy);
- the Court must sanction the Scheme; and
- a copy of the Scheme Court Order must be delivered to the Registrar of Companies.

The Scheme can only become Effective in accordance with its terms if all the Conditions to the Transaction have been satisfied or, where relevant, waived. Further details of these Conditions are set out in Part III of this document. The Scheme will become effective on delivery of a copy of the Scheme Court Order to the Registrar of Companies.

All Lonmin Shareholders are entitled to attend the Scheme Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme.

**Once the Scheme becomes Effective, it will be binding on all Lonmin Shareholders, whether or not they voted in favour of the Scheme and related issues at the Court Meeting and/or at the Lonmin General Meeting.**

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Lonmin Shareholder opinion. Lonmin Shareholders are therefore strongly urged to complete, sign and return both Forms of Proxy or appoint a proxy electronically as soon as possible. The completion and return of the relevant Form of Proxy or appointment of a proxy electronically in accordance with one of the methods set out below, will not prevent Lonmin Shareholders from attending and voting at the Court Meeting or the Lonmin General Meeting or at any adjournment thereof, if they wish and are entitled to do so.**

**Underlying SA Shareholders are strongly urged to provide voting instructions to their CSDP or broker (as applicable), in accordance with the terms of the custody agreement entered into with their CSDP or broker. Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration who wish to attend the Court Meeting or the Lonmin General Meeting in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so.**

**Please see paragraph 22 of Part II of this document for further details of the action to be taken in connection with the Lonmin Shareholder Meetings.**

**Further details of the Scheme and the Lonmin Shareholder Meetings are contained in paragraph 10 of Part II of this document.**

## 9. SIBANYE-STILLWATER SHAREHOLDER APPROVAL

The approval of Sibanye-Stillwater Shareholders in relation to the allotment and issue of the New Sibanye-Stillwater Shares to Lonmin Shareholders, by way of an ordinary resolution, will be required pursuant to Sibanye-Stillwater's memorandum of incorporation. The passing of such ordinary resolution requires more than 50 per cent. of the voting rights exercised on such ordinary resolution to be exercised in favour of it. The authority to allot the New Sibanye-Stillwater Shares represents authority in relation to approximately 12 per cent. of the total issued ordinary share capital of Sibanye-Stillwater as at the Last Practicable Date.

Sibanye-Stillwater will therefore seek the requisite approval of Sibanye-Stillwater Shareholders for the allotment and issue of the New Sibanye-Stillwater Shares as consideration for the Transaction at the Sibanye-Stillwater Shareholder Meeting, which is expected to be held at 8:30 a.m. (South African standard time) on 28 May 2019 at Sibanye-Stillwater Academy, Rietkloof 349, Glenharvie, 1786, South Africa.

## 10. THE NEW SIBANYE-STILLWATER SHARES

The New Sibanye-Stillwater Shares will, when issued, be ordinary shares in the authorised capital of Sibanye-Stillwater, each with no par value, and will be fully paid and will rank *pari passu* in all respects with the Sibanye-Stillwater Shares in issue on the Effective Date.

Sibanye-Stillwater Shares carry the right to receive notice of, and to attend and vote at, general meetings of Sibanye-Stillwater and there are no conversion or exchange rights attached thereto.

Sibanye-Stillwater Shares have equal rights to participate in capital, dividend and profit distributions by Sibanye-Stillwater.

An application will be made to the Johannesburg Stock Exchange in accordance with the terms of the JSE Listings Requirements in respect of Admission.

It is expected that Admission will become effective and dealings for normal settlement in the New Sibanye-Stillwater Shares will commence at or shortly after 9:00 a.m. (South African standard time) on the Admission Date.

No application has been made or is currently intended to be made by Sibanye-Stillwater for the New Sibanye-Stillwater Shares to be admitted to listing or trading on any other exchange.

## 11. DEALING FACILITY FOR NEW SIBANYE-STILLWATER SHARES

Lonmin Shareholders who are Eligible Dealing Facility Participants are being offered a free sale service through which they can sell all (but not part only) of the New Sibanye-Stillwater Shares to which they will become entitled upon the Scheme becoming Effective, free of dealing costs.

Lonmin Shareholders will be "Eligible Dealing Facility Participants" if they hold fewer than 200,000 Lonmin Shares:

- (i) in certificated form on the South African Register; or
- (ii) in certificated form on the UK Register or in uncertificated form through CREST as an individual (non-corporate) CREST sponsored member on the UK Register,

as at the Scheme Record Time. Lonmin Shareholders who would otherwise be eligible to participate in the Free Share Dealing Service on the basis of this criteria, but are resident in the United States, are not be eligible to participate in the Dealing Facility as a result of United States federal security laws. Other Lonmin Shareholders or Lonmin ADS Holders are not eligible to participate in the Dealing Facility.

The last time and date for Free Share Dealing Service Forms (together with any required supporting documentation, if applicable) to be received by Equiniti is 5:00 p.m. (London time) on 5 June 2019 and by Link Investor Services is 12:00 p.m. (South African standard time) on 5 June 2019.



Lonmin Shareholders who are Eligible Dealing Facility Participants will also find enclosed with this document terms and conditions for the Dealing Facility and a Free Share Dealing Service Form (and a “Customer Identification and Verification Documents” form, if applicable) together with a pre-paid envelope (for use within the United Kingdom or South Africa (as applicable) only).

Lonmin Shareholders should refer to paragraph 2 of Part V of this document for further information in relation to the Dealing Facility, including the eligibility criteria and a summary of the terms and conditions of the Dealing Facility.

## **12. LONMIN ADSs**

New Sibanye-Stillwater Shares will not be issued to Lonmin ADS Holders, and it is not proposed to establish any new ADS scheme for Lonmin ADS Holders in respect of any of the New Sibanye-Stillwater Shares. Therefore, if the Scheme becomes effective, the Lonmin Depositary will try to sell the New Sibanye-Stillwater Shares it receives pursuant to the Transaction on behalf of Lonmin ADS Holders and will call for surrender of the Lonmin ADSs. Upon those surrenders, the Lonmin Depositary will deliver the proceeds of that sale, net of applicable fees, expenses, taxes and governmental charges to the Lonmin ADS Holders entitled thereto, in accordance with the terms of the Deposit Agreement.

Lonmin ADS Holders should refer to paragraph 14 of Part II of this document for further detail in relation to these arrangements.

## **13. OVERSEAS SHAREHOLDERS**

Please refer to paragraph 15 of Part II of this document if: (i) you have a registered address in or are resident in, ordinarily resident in, or a citizen of, a jurisdiction outside the United Kingdom or South Africa; or (ii) you have a registered address in or are resident in, ordinarily resident in, or a citizen of, the United States. The implications of the Scheme may be affected by the laws of the relevant jurisdiction and such Lonmin Shareholders should inform themselves about and observe all applicable legal requirements.

## **14. LONMIN SHARE PLANS**

Further details of the arrangements proposed to be implemented in relation to the Lonmin Share Plans in connection with the Transaction are set out in paragraph 17 of Part II of this document.

## **15. DIVIDENDS**

The Exchange Ratio and the Revised Exchange Ratio assume that Lonmin Shareholders will not receive any dividend after the date of the Announcement.

If, prior to the Effective Date, any dividend, distribution or other return of value is proposed, declared, paid or made or becomes payable by Lonmin and with a record date on or before the Effective Date, Sibanye-Stillwater will have the right (without prejudice to any right Sibanye-Stillwater may have, with the consent of the Panel, to invoke Condition 3(j)(ii) as set out in Part A of Part III of this document) to adjust the Revised Exchange Ratio downwards to reflect the aggregate amount of such dividend, distribution or other return of value. In such circumstances, Lonmin Shareholders would be entitled to retain any such dividend or distribution or other return of capital declared, made or paid.

If any such dividend, distribution or other return of value is paid or made before the Effective Date and Sibanye-Stillwater exercises its rights to adjust the Revised Exchange Ratio, any reference in this document to the Revised Exchange Ratio will be deemed to be a reference to the Revised Exchange Ratio as so adjusted.

To the extent that such a dividend, distribution or other return of value has been declared or announced but not paid or made or is not payable by reference to a record date prior to the Effective Date or will be: (i) transferred pursuant to the Transaction on a basis which entitles Sibanye-Stillwater to receive the dividend or distribution and to retain it; or (ii) cancelled, the Revised Exchange Ratio will not be subject to any adjustment.

Sibanye-Stillwater also has the right to adjust the Revised Exchange Ratio in such circumstances as are, and by such amount as is, permitted by the Panel.

Any exercise by Sibanye-Stillwater of its rights referred to in this paragraph 15 will be the subject of an announcement and, for the avoidance of doubt, will not be regarded as constituting any revision or variation of the Transaction.

## **16. TAXATION**

Your attention is drawn to Part VIII of this document, which provides a summary of certain United Kingdom and South African tax consequences of the Scheme that are relevant to Lonmin Shareholders who are resident (or, in the case of individuals, domiciled and resident) in the United Kingdom or South Africa for tax purposes. This summary is intended as a general guide only and, if you are in any doubt about your tax position or are subject to taxation in any jurisdiction other than the United Kingdom or South Africa, you are strongly advised to consult an appropriate professional independent tax adviser.

## **17. ACTION TO BE TAKEN**

Your attention is drawn to pages 13 to 18 and paragraph 22 of Part II of this document which set out in detail the action you should take in relation to the Transaction and the Scheme in respect of voting at the Lonmin Shareholder Meetings.

## **18. FURTHER INFORMATION**

The terms of the Scheme are set out in full in Part IV of this document. In addition, Part II of this document contains a letter from Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital, being an Explanatory Statement (required by Section 897 of the UK Companies Act) which gives further details of the Transaction and the Scheme.

**Lonmin Shareholders and Underlying SA Shareholders should read the whole of this document and not just rely on the information contained in this letter.**

## **19. RECOMMENDATION**

The Lonmin Directors, who have been so advised by Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital as to the financial terms of the Transaction, consider the terms of the Transaction to be fair and reasonable. Gleacher Shacklock is providing independent financial advice to the Lonmin Directors for the purposes of Rule 3 of the Takeover Code. In providing advice to the Lonmin Directors, Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital have taken into account the commercial assessments of the Lonmin Directors.

The Lonmin Directors consider the terms of the Transaction to be in the best interests of Lonmin Shareholders as a whole. The Lonmin Directors therefore unanimously recommend that Lonmin Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Lonmin General Meeting, as the relevant Lonmin Directors (including former Lonmin Director, Dr Len Konar) have irrevocably undertaken to do in respect of their own beneficial shareholdings in Lonmin, which amount in aggregate to 75,498 Lonmin Shares, representing approximately 0.027 per cent. of the existing issued ordinary share capital of Lonmin as at the Last Practicable Date.

Yours sincerely

**Brian Beamish**

Chairman

## PART II

### EXPLANATORY STATEMENT

(in compliance with Section 897 of the UK Companies Act 2006)

**Gleacher Shacklock LLP**

Cleveland House  
33 King Street  
London SW1Y 6RJ  
United Kingdom

(Registered in England and Wales with registered number OC302047)

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

(Registered in England and Wales with registered number 02711006)

**Moshe Capital Proprietary Limited**

3 Exchange Square  
87 Maude Street  
Sandton  
Johannesburg  
2196  
South Africa

(Registered in South Africa with registered number 2013/232220/07)

25 April 2019

*To Lonmin Shareholders and, for information only, to participants in the Lonmin Share Plans, Underlying SA Shareholders and other persons with information rights*

Dear Lonmin Shareholder

**RECOMMENDED ALL-SHARE OFFER FOR LONMIN BY SIBANYE-STILLWATER TO BE EFFECTED BY MEANS OF A SCHEME OF ARRANGEMENT UNDER PART 26 OF THE UK COMPANIES ACT**

#### 1. INTRODUCTION

On 14 December 2017, the boards of Lonmin and Sibanye-Stillwater announced that they had reached agreement on the terms of a recommended all-share offer by Sibanye-Stillwater to acquire the entire issued, and to be issued, ordinary share capital of Lonmin to form the Enlarged Sibanye-Stillwater Group.

On 25 April 2019, the boards of Lonmin and Sibanye-Stillwater announced they had reached an agreement on the terms of an increased recommended all-share offer whereby each Lonmin Shareholder will now be entitled to receive a Revised Exchange Ratio of one New Sibanye-Stillwater Share for each Lonmin Share that they hold as at the Effective Time of the Scheme. This represents an increase of 3.4 per cent. (or an additional 0.033 New Sibanye-Stillwater Shares per Lonmin Share held). This increase reflects the recent recovery in the PGM pricing environment, balanced against the fact that Lonmin continues to be financially constrained and unable to fund the significant investment required to sustain its business and associated employment.

**Your attention is drawn to the letter from the Chairman of Lonmin, Brian Beamish, set out in Part I of this document which contains, among other things, information on the background to and reasons for the unanimous recommendation by the Lonmin Directors to Lonmin Shareholders to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Lonmin General Meeting.**

The Lonmin Directors have been advised by their financial advisers Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital in connection with the Transaction. We have been authorised by the Lonmin Directors to write to you on its behalf to explain the terms of the Transaction and, in particular, the Scheme and to provide you with other relevant information.

Statements made in this letter which refer to Sibanye-Stillwater's reasons for the Transaction and to the intentions and expectations regarding the Enlarged Sibanye-Stillwater Group reflect the views of the directors of Sibanye-Stillwater. Statements made in, or deemed to be included in, this letter which refer to the background to and reasons for the recommendation of the Lonmin Directors reflect the views of the Lonmin Directors. Other information on the businesses of Sibanye-Stillwater or Lonmin reflects the beliefs of the directors of Sibanye-Stillwater or the Lonmin Directors, as applicable, unless otherwise indicated.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Lonmin Shareholder opinion. Lonmin Shareholders are therefore strongly urged to complete, sign and return both Forms of Proxy or appoint a proxy electronically as soon as possible.**

**Underlying SA Shareholders are strongly urged to provide voting instructions to their CSDP or broker (as applicable) in accordance with the terms of the custody agreement entered into with their CSDP or broker.**

**Please see paragraph 22 of this Part II of this document for further details of the action to be taken in connection with the Lonmin Shareholder Meetings.**

This Explanatory Statement contains a summary of the provisions of the Scheme. The terms of the Scheme are set out in full in Part IV of this document. Your attention is also drawn to the other parts of this document which are deemed to form part of this Explanatory Statement, including a letter from the Chairman of Lonmin, Brian Beamish, in Part I of this document, the Conditions and certain further terms set out in Part III of this document and the additional information set out in Part IX of this document.

## **2. SUMMARY OF THE TERMS OF THE TRANSACTION**

Under the terms of the Transaction, Lonmin Shareholders whose names appear on the Lonmin Register of Members at the Scheme Record Time will be entitled to receive:

**for each Lonmin Share**

**one New Sibanye-Stillwater Share**

The Revised Exchange Ratio reflects an increase of 3.4 per cent. (or an additional 0.033 New Sibanye-Stillwater Shares per Lonmin Share held at the Effective Time of the Scheme), compared with the Exchange Ratio of 0.967 New Sibanye-Stillwater Shares for each Lonmin Share held as announced on 14 December 2017.

On the basis of the Revised Exchange Ratio and based on the 30 trading day volume weighted average price of R15.39 of a Sibanye-Stillwater Share on the Johannesburg Stock Exchange for the period ended 23 April 2019 (being the Last Practicable Date) and applying the exchange rate on the Last Practicable Date being R18.511:£1, the Transaction values each Lonmin Share at 83.1 pence.

On the basis of the Revised Exchange Ratio and based on the Closing Price of R14.33 per Sibanye-Stillwater Share on the Last Practicable Date and the exchange rate on that date being R18.511:£1, the terms of the Transaction represent a value of approximately 77.4 pence per Lonmin Share and £226 million for the entire issued and to be issued ordinary share capital of Lonmin.

On the basis of the Exchange Ratio and based on the 30 trading day volume weighted average price of R18.67 of Sibanye-Stillwater Shares on the Johannesburg Stock Exchange for the period ended 13 December 2017 (being the last Business Day prior to the date of the Announcement) and the exchange rate on that date being R18.056:£1, the Transaction valued each Lonmin Share at 100.0 pence and valued the existing issued ordinary share capital of Lonmin at approximately £285 million.

The Exchange Ratio was determined using the 30 trading day volume weighted average price for Sibanye-Stillwater to smooth out the daily movements.

On the basis of the Exchange Ratio and based on the Closing Price of R16.11 of a Sibanye-Stillwater Share on the Johannesburg Stock Exchange on 13 December 2017 and the exchange rate on that date being R18.056:£1, the Transaction valued each Lonmin Share at 86.3 pence.

Following Completion, Lonmin Shareholders will hold approximately 10.9 per cent. of the Enlarged Sibanye-Stillwater Group and Sibanye-Stillwater Shareholders will hold approximately 89.1 per cent. of the Enlarged Sibanye-Stillwater Group.

Subject to the satisfaction or waiver of the Conditions, Completion is expected to occur in June 2019. Since the Announcement in December 2017, certain Conditions have been met, namely the receipt of approval from the Financial Surveillance Department of the South African Reserve Bank as announced on 15 May 2018 and competition authority clearance in the UK. The SA Competition Tribunal approved the Transaction on 21 November 2018, subject to certain specific conditions, further detail relating to which is set out in paragraph 7 of Part I of this document. An appeal against the decision and order of the SA Competition Tribunal (which included the conditions imposed by the SA Competition Tribunal) was filed by the AMCU on 19 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course. The Conditions are set out in full in Part III of this document.

It is intended that the Transaction will be implemented by means of a Court-sanctioned scheme of arrangement between Lonmin and Lonmin Shareholders under Part 26 of the UK Companies Act, further details of which are contained in paragraph 10 of this Part II.

The New Sibanye-Stillwater Shares will, when issued, be ordinary shares in the authorised capital of Sibanye-Stillwater, each with no par value, and will be fully paid and rank *pari passu* in all respects with the Sibanye-Stillwater Shares in issue on the Effective Date.

It is expected that Admission of the New Sibanye-Stillwater Shares to the Main Board of the Johannesburg Stock Exchange will become effective and dealings for normal settlement in the New Sibanye-Stillwater Shares will commence at or shortly after 9:00 a.m. (South African standard time) on the Admission Date.

Fractions of New Sibanye-Stillwater Shares will not be issued pursuant to the Transaction. Under the revised terms of the Transaction, due to the 1:1 Revised Exchange Ratio, it is expected that no fractional entitlements to New Sibanye-Stillwater Shares will arise. Entitlements to New Sibanye-Stillwater Shares pursuant to the Transaction will therefore be calculated in whole numbers of New Sibanye-Stillwater Shares only, resulting in allocations of whole numbers of New Sibanye-Stillwater Shares.

The Lonmin Shares will be acquired pursuant to the Transaction fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights or interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, by Lonmin by reference to a record date on or after the date of the Effective Date.

New Sibanye-Stillwater Shares will not be issued to Lonmin ADS Holders, and it is not proposed to establish any new ADS scheme in respect of any of the New Sibanye-Stillwater Shares. Therefore, if the Scheme becomes effective, the Lonmin Depositary will try to sell the New Sibanye-Stillwater Shares it receives pursuant to the Transaction on behalf of Lonmin ADS Holders, will call for surrender of the Lonmin ADSs and, upon those surrenders, will deliver the proceeds of that sale, net of applicable fees, expenses, taxes and governmental charges to the Lonmin ADS Holders entitled thereto in accordance with the terms of the Deposit Agreement.

Holders of Lonmin ADSs should read the explanation in paragraph 14 of this Part II.

### 3. BACKGROUND TO AND REASONS FOR THE TRANSACTION

As set out in paragraph 3 of Part I of this document, Lonmin has experienced financial constraints for a number of years caused by a range of factors. The Lonmin Board considers the Transaction to be in the best interests of Lonmin Shareholders as a whole, providing Lonmin with a comprehensive and sustainable solution to the adverse challenges it faces. The combination of Sibanye-Stillwater and Lonmin creates a larger and more resilient company, with greater geographical and commodity diversification, that is better able to withstand short-term commodity price and foreign exchange volatility.

The Transaction would also allow Lonmin Shareholders to participate in:

- the growth and value-creation opportunities of the Enlarged Sibanye-Stillwater Group;
- the benefits from the realisation of synergies from the combination of Sibanye-Stillwater and Lonmin; and
- exposure to any continued long-term recovery in the fundamentals of the PGM sector.

Further information relating to the background and reasons for the Lonmin Board's recommendation of the Transaction is set out in paragraph 3 of Part I of this document.

Sibanye-Stillwater believes that the Transaction is compelling for Sibanye-Stillwater Shareholders and is a logical step in executing its PGM strategy. By combining Sibanye-Stillwater's existing, and contiguous, South African PGM assets with Lonmin's operations, including Lonmin's processing facilities, Sibanye-Stillwater will be able to unlock operational synergies and become a fully integrated PGM producer in South Africa, thereby creating value for all stakeholders.

In particular, Sibanye-Stillwater has identified the following principal benefits to the Sibanye-Stillwater Group from the Transaction:

- consistency with Sibanye-Stillwater's strategy;
- access to its own processing facilities in South Africa;
- potential upside from developmental projects;
- application of Sibanye-Stillwater's operating model to Lonmin's operations; and
- realisation of significant synergies between Sibanye-Stillwater and Lonmin's contiguous assets (as set out in paragraph 5 of this Part II).

#### ***Sibanye-Stillwater's strategy***

The Transaction is consistent with Sibanye-Stillwater's South African PGM strategy following the acquisitions of Aquarius Platinum and the Rustenburg Operations from Anglo American Platinum. This strategy is underpinned by enhancing operational profitability through the realisation of operational and overhead synergies, thereby ensuring the sustainability of operations and creating value for all stakeholders. The contiguous nature of the Lonmin and Rustenburg Operations enhances the scale of Sibanye-Stillwater's operations, providing further opportunities to effectively allocate capital, improve performance of the asset base and facilitate operational flexibility. Optimising the utilisation of the combined assets will create long-term value for Sibanye-Stillwater Shareholders and benefit all stakeholders in the region.

Sibanye-Stillwater is a leading global precious metals producer, domiciled in South Africa. In 2018, Sibanye-Stillwater produced 1.2 million ounces of gold from its South African gold operations, 1.2 million ounces of 4E PGMs (principally, platinum, palladium, rhodium and gold) from its South African PGM operations and 0.6 million ounces of 2E PGMs (principally, platinum and palladium) from its United States PGM operations. The Transaction will materially expand Sibanye-Stillwater's PGM footprint, adding approximately 31.2M 4E PGM ounces in proven and probable reserves (as per Lonmin's declared mineral reserves at 30 September 2018).

### ***Access to Lonmin's processing facilities in South Africa***

Lonmin is one of only three fully integrated South African PGM producers with full ownership of a metallurgical processing complex, including smelting, base and precious metals refining facilities. The addition of these mine-to-market capabilities in South Africa (at an acquisition cost of significantly less than replacement cost) represents a logical step for Sibanye-Stillwater's South African PGM business, creating a fully integrated precious metals producer. Lonmin's processing facilities will allow Sibanye-Stillwater, in due course, the opportunity to smelt and refine ore from its existing Rustenburg Operations, enhancing and improving the economics of those operations, while simultaneously ensuring a sustainable source of material for these facilities, therefore maximising return on assets.

### ***Potential upside from developmental projects***

The Transaction will materially expand Sibanye-Stillwater's PGM footprint, adding 160.8Moz in measured, indicated and inferred resources (as per Lonmin's declared mineral resources at 30 September 2018). This significant resource base includes well-advanced projects, providing significant upside optionality to deliver future stakeholder value in an appropriate economic environment. These attractive brownfield projects include K4, Limpopo and Pandora, as well as a greenfields project pipeline, including Akanani.

### ***Application of Sibanye-Stillwater's operating model to Lonmin's operations***

By applying Sibanye-Stillwater's operating model, Sibanye-Stillwater has the ability to create value for both Sibanye-Stillwater Shareholders and Lonmin Shareholders. As part of a larger entity, Lonmin's operations will be less constrained by significant fixed overhead costs which have in the past driven the need to fill processing capacity. This has resulted in the need to plan for sub-optimal capital deployment and the potential for cross subsidisation of unprofitable mining areas. The Transaction will enhance Sibanye-Stillwater's flexibility to apply a more prudent approach to capital investment with respect to Lonmin's assets, more closely aligned to market demands and commodity prices, enhancing the longer-term sustainability of the operations for the benefit of all stakeholders.

To this end, Sibanye-Stillwater has developed a conservative Lonmin operating plan, which is not contingent on the development of new major capital projects and therefore limits downside risk while providing full upside optionality in appropriate economic and market circumstances.

## **4. BACKGROUND TO AND REASONS FOR THE LONMIN BOARD'S RECOMMENDATION**

Information relating to the background and reasons for the Lonmin Board's recommendation of the Transaction is set out in paragraph 3 of Part I of this document.

## **5. SYNERGY POTENTIAL OF THE TRANSACTION**

The board of Sibanye-Stillwater believes that, as a direct result of the Transaction, there are a number of areas where the Enlarged Sibanye-Stillwater Group could benefit from attractive synergies, creating additional value for Sibanye-Stillwater Shareholders. Sibanye-Stillwater has demonstrated its ability to extract synergies from the recently acquired Aquarius Platinum and Rustenburg Operations. In 2017, Sibanye-Stillwater successfully integrated the Rustenburg Operations, which delivered synergies of more than R1 billion within 14 months, well ahead of the initial expectation of R800 million synergies in three to four years.

In the Announcement, Sibanye-Stillwater had identified:

*"...expected total pre-tax run-rate synergies of approximately R1,500 million by 2021, averaging approximately R1,280 million per annum for the period of 2021 to 2032, as a result of the Acquisition, including:*

- *in relation to overhead services, a total of approximately R730 million per annum by 2021, with respect to:*
  - *shared services between members of the Enlarged Sibanye-Stillwater Group;*
  - *overhead costs in respect of management and marketing;*

- *shared mining services; and*
- *shared corporate and regulatory costs;*
- *in relation to processing synergies, a total of approximately R780 million per annum by 2021, averaging approximately R550 million per annum for the period 2021 to 2032, primarily by utilising spare capacity within Lonmin's smelting and refining infrastructure to process concentrate produced by the Rustenburg Operations.*

*These savings from overhead synergies and reduced processing costs are separate from those matters contained in Lonmin's Operational Review (as described in paragraph 4 of this Announcement) and those matters addressed in Lonmin's evolving business plan (as described in paragraph 8 of this Announcement).*

*Sibanye-Stillwater estimates that the implementation of the overhead synergies would give rise to expected one-off costs of approximately R80 million and a headcount reduction of approximately 700. In addition, implementation of the processing synergies would give rise to expected one-off costs of approximately R1,000 million, such one-off costs to be incurred primarily in relation to the construction of an additional smelting furnace and Sibanye-Stillwater will continue to explore other ways to mitigate such one-off costs.*

*Aside from such one-off costs referred to above, Sibanye-Stillwater does not expect any material dis-synergies to arise in connection with the Acquisition.*

*Sibanye-Stillwater has also identified a number of further initiatives and benefits which are not included in the quantified estimate of achievable synergies, including:*

- *the ability to mine through existing mine boundaries between Sibanye-Stillwater and Lonmin operations, allowing for the optimisation of ore extraction in these areas;*
- *optimal use of surface infrastructure, including concentrators, tailings deposition facilities and training and engineering infrastructure;*
- *optimising the mining mix of Merensky and UG2 of the Enlarged Sibanye-Stillwater Group;*
- *new growth capital and project prioritisation; and*
- *capital reorganisation in line with Sibanye-Stillwater's new consolidated regional plan.*

*The ability to realise synergies within the combined portfolio underpins the value-enhancing nature of the Acquisition for Sibanye-Stillwater Shareholders. Sibanye-Stillwater anticipates that the Acquisition will be net asset value accretive on completion of the Acquisition and earnings and cash flow accretive in respect of Sibanye-Stillwater Shares from 2021, once the related one-off costs referred to in this paragraph 3 have been incurred and the identified synergies begin to be realised in full by the Enlarged Sibanye-Stillwater Group. The Acquisition is expected to enhance the Enlarged Sibanye-Stillwater Group's ability to withstand the current low PGM price environment and short-term industry volatility, while also funding the long-term growth potential of the existing resources with expected improving market and economic conditions. The Enlarged Sibanye- Stillwater Group will also benefit from reduced operational risk, as greater asset diversity reduces the impact of production and disruption risk."*

Since the Announcement, Sibanye-Stillwater has continued to assess the expected synergies from the Transaction. Whilst changes in the basket price of the PGM metals and in Sibanye-Stillwater's operating costs have occurred, these could, other things being equal, result in increases in the synergies from the amounts quantified above, Sibanye-Stillwater has had no access to Lonmin's operations since the Announcement and therefore does not have sufficient information to be able to quantify any change in such synergies.

Therefore, Sibanye-Stillwater has no basis for a change in its view on the overall quantum of synergies and one-off costs from that set out in the Original Quantified Financial Benefits Statement. However, given the delay to Completion of the Transaction, Sibanye-Stillwater now expects these synergies to materialise one year later (that is, by 2022 rather than by 2021) than was originally disclosed in the Announcement.



These statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated or those achieved could be materially different from those estimated. For the purposes of Rule 28 of the Takeover Code, the statements of estimated cost savings and synergies contained in this document are solely the responsibility of Sibanye-Stillwater and the Sibanye-Stillwater directors, and are expected to arise as a direct result of the Transaction and could not be achieved independently of the Transaction (further details of which are set out in Appendix 1 of this document).

Neither this statement nor any other statement in this document are intended to be a profit forecast and should not be interpreted to mean that earnings per Sibanye-Stillwater Share for the current or future financial years would necessarily match or exceed the historical published earnings per Sibanye-Stillwater Share.

### ***Bases of calculation for the Quantified Financial Benefits Statement and the Revised Quantified Financial Benefits Statement***

#### *Original Quantified Financial Benefits Statement*

In preparing the Original Quantified Financial Benefits Statement:

- Lonmin provided Sibanye-Stillwater with certain operating and financial information to facilitate a detailed analysis in support of evaluating the potential synergies available from the Transaction;
- baseline cost numbers were agreed based on the underlying business plans of both Sibanye-Stillwater and Lonmin for their budgeted 2018 financial years with reference to the available financials for their 2017 financial years and, for the synergies arising from the combination of group functions, organisation information was reviewed;
- the assessment and quantification of the potential synergies were in turn informed by Sibanye-Stillwater management's industry experience as well as their experience of executing and integrating past acquisitions and discussions with Lonmin management who have undertaken a number of cost reduction exercises;
- cost saving assumptions were based on a detailed, bottom-up evaluation of the benefits available from elimination of duplicate activities, the leverage of combined scale economics and operational efficiencies arising from consolidation of activities within operational facilities. In determining the estimate of costs savings achievable through the combination of Sibanye-Stillwater and Lonmin, no savings relating to operations were included where no overlap existed;
- where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies, including retrenchment costs to achieve overhead synergies and capital outlays to achieve processing synergies;
- in general, the synergy assumptions were in turn risk adjusted, exercising a degree of prudence in the calculation of the estimated synergy benefit set out above;
- the board of Sibanye-Stillwater, in addition, made the following assumptions in relation to the Original Quantified Financial Benefits Statement, all of which were outside the influence of Sibanye-Stillwater:
  - there would be no material impact on the underlying operations of either company or their ability to continue to conduct their businesses;
  - there would be no material change to macroeconomic, political, regulatory or legal conditions in the markets or regions in which Sibanye-Stillwater and Lonmin operate that materially impact on the Sibanye-Stillwater and Lonmin business plans and the implementation or costs to achieve the proposed cost savings;
  - there would be no material change in current foreign exchange rates and the spot rates for commodity prices contained in Sibanye-Stillwater's business plans;
  - there would be no change in tax legislation or tax rates or other legislation or regulation in the countries in which Sibanye-Stillwater and Lonmin operate that could materially impact the ability to achieve any benefits; and
  - there would be no material regulatory impediment to the realisation of the synergies.

### *Revised Quantified Financial Benefits Statement*

In preparing the Revised Quantified Financial Benefits Statement:

- Sibanye-Stillwater has received no non-public operating or financial information on Lonmin's operations subsequent to the time at which the Original Quantified Financial Benefits Statement was given;
- as a result, aside from updating commodity prices and foreign exchange rates, Sibanye-Stillwater has no basis for amending any of the data provided by Lonmin which supported the Original Quantified Financial Benefits Statement. Sibanye-Stillwater has therefore had to assume that, in the period since the Announcement, there has been no material change in the underlying operations of Lonmin or in Lonmin's ability to continue to conduct its business;
- Sibanye-Stillwater has, however, considered changes in its own cost base since the time at which the Original Quantified Financial Benefits Statement was given, as well as its latest view on the timings needed to achieve synergy benefits given the delay to Completion of the Transaction; and
- the board of Sibanye-Stillwater, in addition, made the following assumptions in relation to the Revised Quantified Financial Benefits Statement, all of which are outside the influence of Sibanye-Stillwater:
  - there will be no material impact on the underlying operations of either company or their ability to continue to conduct their businesses;
  - there will be no material change to macroeconomic, political, regulatory or legal conditions in the markets or regions in which Sibanye-Stillwater and Lonmin operate that materially impact on the Sibanye-Stillwater and Lonmin business plans and the implementation or costs to achieve the proposed cost savings;
  - there will be no material change in current foreign exchange rates and the spot rates for commodity prices contained in Sibanye-Stillwater's business plans;
  - there will be no change in tax legislation or tax rates or other legislation or regulation in the countries in which Sibanye-Stillwater and Lonmin operate that could materially impact the ability to achieve any benefits; and
  - there will be no material regulatory impediment to the realisation of the synergies.

This analysis assumes no business disposals pursuant to the Transaction.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies, including retrenchment costs to achieve overhead synergies and capital outlays to achieve processing synergies.

### ***Important notes***

The statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Original Quantified Financial Benefits Statement or the Revised Quantified Financial Benefits Statement, or this document generally, should be construed as a profit forecast or interpreted to mean that Sibanye-Stillwater's earnings in the first full year following Completion of the Transaction, or in any subsequent period, would necessarily match or be greater than or be less than those of Sibanye-Stillwater and/or Lonmin for the relevant preceding financial period or any other period.

Due to the scale of the Enlarged Sibanye-Stillwater Group, there may be additional changes to the Enlarged Sibanye-Stillwater Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost savings may be materially greater or less than those estimated.

In arriving at the estimate of synergies set out in this document, the board of Sibanye-Stillwater has assumed that there will be no significant impact on the business of the Enlarged Sibanye-Stillwater Group.

The board of Sibanye-Stillwater believes that the Enlarged Sibanye-Stillwater Group should be able to achieve the synergies set out in the Revised Quantified Financial Benefits Statement.

As required by Rule 28.1(a) of the Takeover Code, BDO, as reporting accountants to Sibanye-Stillwater, has provided a report required under that rule stating that, in its opinion, the Revised Quantified Financial Benefits Statement has been properly compiled on the basis stated.

In addition, UBS and HSBC, as financial advisers to Sibanye-Stillwater, have provided a report required under Rule 28.1(a) stating that, in their view, the Revised Quantified Financial Benefits Statement, for which the directors of Sibanye-Stillwater are responsible, has been prepared with due care and consideration.

Copies of these reports and the Revised Quantified Financial Benefits Statement are included in Appendix 1.

## 6. FINANCIAL EFFECTS OF THE TRANSACTION

### ***Effect on capital***

The following table sets out, for illustrative purposes only and on the bases and assumptions set out in the notes below, the financial effects on the capital value for a holder of one Lonmin Share in accordance with the terms of the Scheme, assuming that the Scheme becomes Effective. No account has been taken of any liability to taxation of a Lonmin Shareholder or a Sibanye-Stillwater Shareholder and no account has been taken of any transaction costs or any fractional entitlements (if any) to New Sibanye-Stillwater Shares.

Column (a) is based on the Revised Exchange Ratio and the Closing Price of Lonmin Shares and Sibanye-Stillwater Shares, and an R:£ exchange rate, on the Last Practicable Date. Column (b) is based on the Exchange Ratio and the Closing Price of Lonmin Shares and Sibanye-Stillwater Shares, and an R:£ exchange rate, on 13 December 2017 (being the last Business Day prior to the date of the Announcement).

<b>Increase in capital value (pence)</b>	Notes	As at the Last Practicable Date <i>(a)</i>	As at 13 December 2017 <i>(b)</i>
Market value of New Sibanye-Stillwater Shares to be received in exchange for one Lonmin Share .....	(i)	77.4	86.3
Market value of one Lonmin Share .....	(ii)	73.3	63.8
<b>This represents an increase of .....</b>		5.6%	35.3%

Notes:

- (i) The market value of Sibanye-Stillwater Shares is based on the closing middle market quotation of: (a) R14.33 per Sibanye-Stillwater Share and an exchange rate of R18.511:£ as at 4:30 p.m. (UK time) on the Last Practicable Date based on the Revised Exchange Ratio; and (b) R16.11 per Sibanye-Stillwater Share and an exchange rate of R18.056:£1 as at 4:30 p.m. (UK time) on 13 December 2017, being the last Business Day prior to the date of the Announcement, based on the Exchange Ratio.
- (ii) The market value of Lonmin Shares is based on the closing middle market quotation of: (a) 73.3 pence per Lonmin Share as at the close of business on the Last Practicable Date; and (b) 63.8 pence per Lonmin Share and as at the close of business on 13 December 2017, being the last Business Day prior to the date of the Announcement.

### ***Effect on income***

Sibanye-Stillwater's current dividend policy is to return 25 per cent. to 35 per cent. of normalised earnings to Sibanye-Stillwater Shareholders if gearing is at the appropriate levels. After due consideration of future requirements and the Sibanye-Stillwater Group's gearing levels, the dividend may be increased beyond the above mentioned levels. Following Completion of the Transaction, the board of Sibanye-Stillwater expects that the Enlarged Sibanye-Stillwater Group may declare and pay dividends in line with Sibanye-Stillwater's existing dividend policy, if gearing is at appropriate levels. No cash dividend payments have been declared or paid in respect of the 2017 or 2018 financial years. Lonmin does not currently pay out a dividend.

### ***Effect on earnings, assets and liabilities***

Taking into account the anticipated synergies as set out in paragraph 5 of this Part II, the board of Sibanye-Stillwater believes that the combination of the two companies has the potential for significant

value creation for the Sibanye-Stillwater Shareholders and Lonmin Shareholders, and expects the Transaction to be net asset value accretive on Completion, as well as earnings and cash flow accretive in respect of Sibanye-Stillwater Shares from 2022, once all synergies are realised and related one-off costs have been incurred.

None of the statements contained in this paragraph 6 are intended as a profit forecast and should not be interpreted as such.

## **7. SIBANYE-STILLWATER'S INTENTIONS AND STRATEGIC PLANS FOR LONMIN AND THE ENLARGED SIBANYE-STILLWATER GROUP**

### ***Lonmin***

As noted in paragraph 3 of Part I, and which Lonmin believes it has in common with several other South African platinum mining companies, Lonmin's business has experienced ongoing financial constraints for a number of years caused by a range of factors such as a persistently low PGM pricing environment and the inflationary cost pressures of operating in the South African PGM industry, which have been further exacerbated by operational, social and labour issues.

In the Announcement, the Lonmin Board said it believed that if low prices persisted, in addition to the drop-off in production profile of the ageing Generation One shafts which are at the end of their reserve lives, and regardless of whether or not the Transaction was implemented, potentially in excess of 12,000 jobs in Lonmin would be at risk over the next three years.

The Announcement also noted that: "Lonmin's evolving business plan will possibly result in headcount reductions associated with placing shafts on care and maintenance and this process has commenced in accordance with South African laws and in consultation with employee representative bodies. The placing of the Generation One shafts on care and maintenance, together with the operational efficiency improvement programme which commenced in 2015, could impact approximately 3,700 employees (including approximately 800 contractors) in 2018. Placing further Generation One shafts on care and maintenance in 2019 could impact approximately a further 4,800 operational employees (including approximately 2,000 contractors). This potential reduction in the operational base would necessitate the downscaling of overhead and support services, placing approximately a further 500 employees possibly at risk of job losses. While the impact on possible job losses in the first two years is primarily driven by placing high-cost and depleting Generation One shafts on care and maintenance, forecasting the potential impact on employment beyond a two year period is dependent on future commodity prices and business liquidity. However, should commodity prices remain in their current depressed state for a further three years an additional estimated 3,600 jobs could be at risk in 2020."

Of the 3,700 employees which could have been impacted in 2018 by Lonmin's operational efficiency programme and the placing of some of the Generation One shafts on care and maintenance, approximately 2,400 have left the business and the remaining 1,300 continue to be employed by Lonmin. Initially, the difference resulted from Lonmin's inability to implement the necessary measures due to liquidity constraints in meeting the relevant retrenchment costs. Increases in commodity prices did however improve the contributions of the Generation One shafts to Lonmin's business, making them economically viable over a slightly longer period than anticipated in 2017.

In March 2019, Lonmin began a consultation process in terms of sections 189 and 189(A) of the LRA, affecting approximately 2,540 permanent employees and 1,560 contractors. Reflecting the slower rate of Generation One shaft closures as a result of improved market conditions, the number of affected employees is less than the 5,300 originally anticipated in the Announcement for the 2019 financial year.

Notwithstanding this, immediately available ore at the Generation One shafts will become fully depleted and as long as Lonmin's financial constraints persist and it remains unable to fund the significant capital investment required to sustain its business, the same number of total jobs remain at risk over the medium to longer term. This includes the remaining 1,300 of the 3,700 employees which could have been impacted in 2018 but did not leave the business during that year, as well as the remaining 1,200 of the 5,300 employees originally anticipated to be impacted in 2019 but which continue to be employed by Lonmin.

The Lonmin Board notes the statement of Sibanye-Stillwater's intentions and strategic plans for Lonmin and the Enlarged Sibanye-Stillwater Group on Completion, as set out below, and that Sibanye-Stillwater concurs that the measures proposed by Lonmin, as described above, are necessary as mining operations reach the end of their reserve lives, including that the 1,300 and 1,200 jobs referred to above would remain at risk under an Enlarged Sibanye-Stillwater Group on Completion. The Lonmin Board further welcomes Sibanye-Stillwater's confirmation that the contractual and statutory employment rights, including in relation to pensions, of all Lonmin employees will be fully observed in accordance with applicable law following Completion.

### ***Enlarged Sibanye-Stillwater Group***

Sibanye-Stillwater reviewed Lonmin's business plan as described above during its due diligence in relation to Lonmin conducted prior to the date of the Announcement, and concurs that the measures it proposes are necessary as mining operations reach the end of their reserve lives.

The boards of Sibanye-Stillwater and Lonmin recognise that the integration of Lonmin into the Enlarged Sibanye-Stillwater Group will create the opportunity to achieve the expected synergistic benefits of the Transaction, enhancing the potential longer-term sustainability of Lonmin's remaining (excluding the Generation One shafts) operations. In addition to benefiting ongoing operating costs, this integration will also result in creating flexibility associated with the timing of the significant capital investment that would be required in due course, in order to develop the next generation operating shafts to sustain mining output from Lonmin's operations. The timing of such capital investment will be dependent on several factors including, but not limited to, the economic climate, technical viability of such projects and future operating costs.

The synergy work carried out during the performance of due diligence confirmed the potential to generate cost savings for the Enlarged Sibanye-Stillwater Group. Although Sibanye-Stillwater continues to develop an initial business plan for the Enlarged Sibanye-Stillwater Group, it estimates that headcount reductions in years one to three following Completion of approximately 890 employees (including approximately 320 contractors), in addition to those envisaged in the Lonmin evolving business plan (including the 1,200 and 1,300 jobs referred to above), could be required over such period. These additional 890 reductions include approximately 700 employees from the Enlarged Sibanye-Stillwater Group in executive functions, management and centralised roles in areas of overlapping corporate and support functions (including in respect of shared services, management, marketing, mining services, corporate and regulatory costs).

The SA Competition Tribunal, in approving the Transaction, imposed various conditions on Sibanye-Stillwater, further information in respect of which is set out in paragraph 7 of Part I of this document. The imposition of such conditions, including the six month moratorium from Completion on Sibanye-Stillwater concluding any forcible retrenchments of Lonmin employees, does not impact Sibanye-Stillwater's estimated headcount reductions in years one to three following Completion of approximately 890 employees, in addition to those envisaged in Lonmin's evolving business plan (including the 1,200 and 1,300 jobs referred to above) that could be required. However, the satisfaction of certain conditions by Sibanye-Stillwater in accordance with their terms (in particular, the short-term projects at Lonmin's operations which could be implemented by Sibanye-Stillwater if certain prescribed criteria are satisfied (as described in paragraph 7 of Part I of this document)), could result in fewer overall headcount reductions (either through the creation of new jobs or through the delay of retrenchments) than identified in Lonmin's evolving business plan, in years one to three following Completion. Sibanye-Stillwater has indicated to the SA Competition Tribunal that such conditions are acceptable and Sibanye-Stillwater intends to comply with these conditions following Completion. An appeal against the decision and order of the SA Competition Tribunal (which included the conditions imposed by the SA Competition Tribunal) was filed by the AMCU on 19 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course.

The non-executive Lonmin Directors will resign from the Lonmin Board upon Completion. No decision has been taken in relation to whether the executive Lonmin Directors will remain involved in the management of the Enlarged Sibanye-Stillwater Group and any proposals in relation to their continued involvement will only be considered following Completion.

Finalisation of the business plan for the Enlarged Sibanye-Stillwater Group and integration planning will follow a transparent and detailed review of the Lonmin Group's business and will be conducted in line with the regulatory processes in South Africa. Such review will be undertaken in a phased approach with a full and final integrated plan for the Enlarged Sibanye-Stillwater Group expected to take approximately 12 months following Completion and will involve consideration of every aspect of the Lonmin Group's business including, among others, mine layouts, reserves and resources, employee availability and performance, capital requirements, systems, structures, support services, overheads and available expansion or new projects. The review will focus on developing a sustainable business plan for the Lonmin Group taking into account the synergies, which will be confirmed during the review, the Sibanye-Stillwater operating model and envisaged operating structures as well as the capital availability of the Enlarged Sibanye-Stillwater Group.

Whilst the implementation of any restructuring would take place following the completion of each phase of such review, any restructuring in relation to forced retrenchments would only take place after the six month moratorium period on retrenchments, as imposed by the SA Competition Tribunal, has expired (assuming such moratorium remains in place following the appeal decision from the CACSA being handed down). In addition, in relation to Sibanye-Stillwater's estimated headcount reductions in years one to three following Completion of approximately 890 employees (which were not envisaged in Lonmin's evolving business plan), such restructuring would seek to identify and retain the best talent from both Sibanye-Stillwater and Lonmin. As part of any restructuring process undertaken, employees may be requested to move to other operations within the Enlarged Sibanye-Stillwater Group and may be retrained for vacant positions within the Enlarged Sibanye-Stillwater Group. Any such process will be conducted and communicated in accordance with applicable laws and regulations. Other than the headcount reductions from the Enlarged Sibanye-Stillwater Group in executive functions, management and centralised roles in areas of overlapping corporate and support functions (including in respect of shared services, management, marketing, mining services, corporate and regulatory costs) as described above, Sibanye-Stillwater does not expect material changes in the balance of skills and functions of the employees and management of the Lonmin Group.

Lonmin does not operate any defined benefit pension schemes but does operate several defined contribution schemes in accordance with applicable regulations. Sibanye-Stillwater will continue to make contributions under such defined contribution schemes in accordance with applicable regulations or continue to make payments directly to Lonmin employees who have their own pensions arrangements in place, in accordance with such employees' contractual entitlements. The contractual and statutory employment rights, including in relation to pensions, of all Sibanye-Stillwater and Lonmin employees will be fully observed in accordance with applicable law following Completion.

Following Completion, Sibanye-Stillwater may put in place incentivisation scheme(s) for certain members of the Lonmin management team. No discussions in respect of the terms of such arrangements have taken place with such persons at the time of publication of this document.

### ***Lonmin's operational headquarters***

Sibanye-Stillwater has not yet developed detailed proposals in relation to Lonmin's operational headquarters and a thorough assessment will be undertaken in this regard in the 12 months following Completion. Sibanye-Stillwater's intention is to retain Lonmin's operational headquarters in Marikana, but recognises that opportunities may exist in the short term to rationalise premises and final locations of the Enlarged Sibanye-Stillwater Group, which will be identified as part of such assessment. In addition, it is envisaged that the Enlarged Sibanye-Stillwater Group's global corporate office will remain in Johannesburg and that, following Completion and the delisting of Lonmin, the functions associated with its existing London listing will no longer be required. Consequently, Sibanye-Stillwater intends to close Lonmin's office in London.

Any research and development functions of the Lonmin Group are not expected to be impacted in any material way by the Transaction. Sibanye-Stillwater has no intentions to redeploy the fixed assets of the Lonmin Group.

### ***Trading facilities***

The Lonmin Shares are currently listed on the Official List of, and admitted to trading on, the London Stock Exchange's Main Market for listed securities as well as the Main Board of the Johannesburg

Stock Exchange. As noted in paragraph 13 of Part II of this document, applications will be made for the cancellation of the listing of the Lonmin Shares on the Official List and the Main Board of the Johannesburg Stock Exchange, and of trading of the Lonmin Shares on the London Stock Exchange's Main Market for listed securities and the Main Board of the Johannesburg Stock Exchange. It is expected that Lonmin will be re-registered as a private company after it has been delisted.

## **8. INFORMATION RELATING TO SIBANYE-STILLWATER**

### ***The Sibanye-Stillwater Group***

The Sibanye-Stillwater Group is a South Africa domiciled global precious metals mining group with its primary listing on the Johannesburg Stock Exchange and an ADS programme traded on the New York Stock Exchange. The Sibanye-Stillwater Group owns and operates a mix of gold and PGM mines and projects throughout South Africa, Zimbabwe and the United States. In addition to its mining activities, the Sibanye-Stillwater Group owns and manages significant extraction and processing facilities. As at the Last Practicable Date, the Sibanye-Stillwater Group's market capitalisation was R34.100 billion (US\$2.382 billion).

Globally, the Sibanye-Stillwater Group is a major producer of palladium and platinum. The Sibanye-Stillwater Group's operations and projects are managed by regions and commodities: (i) the Southern African region, including gold and PGM operations; and (ii) the United States region.

The Southern African region houses the gold and PGM operations and projects located in South Africa and Zimbabwe. These include the underground and surface gold mining operations in South Africa, being the Driefontein operations and Kloof operations in the West Witwatersrand region of Gauteng Province and the Beatrix operation in the Free State Province. The Sibanye-Stillwater Group owns 38.05 per cent. of DRDGOLD, a world leader in surface gold tailings retreatment. The Sibanye-Stillwater Group also owns and manages significant gold extraction and processing facilities where ore is treated and beneficiated to produce gold doré. In addition, several organic projects that are currently underway are aimed at sustaining these gold mining operations into the long-term. The Sibanye-Stillwater Group's PGM assets in the Southern African region are a 50 per cent. interest in the Kroondal Operations, a 91.7 per cent. interest in Platinum Mile and the Rustenburg Operations (of which the Sibanye-Stillwater Group owns 74 per cent. with the BBBEE stakeholders owning the remaining 26 per cent.) in the North West Province in South Africa, and a 50 per cent. indirect interest in the Mimosa Operations in Zimbabwe.

The United States region houses the Sibanye-Stillwater Group's PGM operations and projects located in the United States, Canada and Argentina. These include the East Boulder Mine and the Stillwater Mine, including the Blitz Project in Montana, as well as exploration-stage projects in Canada and Argentina. Assets in the United States region also include the Columbus Metallurgical Complex in Montana. This complex houses the smelter facilities as well as a base metal refinery, which produces a PGM-rich filter cake that is further refined by a third-party precious metal refinery. These processing and metallurgical facilities are also used to process recycled material, such as spent autocatalytic converters and petroleum refinery catalysts.

The Sibanye-Stillwater Group's vision is to create superior value for all stakeholders through mining its multi-commodity resources in a safe and healthy environment.

Sibanye-Stillwater supports the acceleration of the social and economic transformation of the South African mining industry. Sibanye-Stillwater has successfully concluded a number of BBBEE transactions that have resulted in empowering a broad-based group of South African citizens under the MPRDA and the Mining Charter. Sibanye-Stillwater is supportive of Lonmin's empowerment structure.

### ***Sibanye-Stillwater's current trading and prospects***

#### ***Year ended 31 December 2018***

In the year ended 31 December 2018, primarily as a result of safety incidents and other unanticipated operational disruptions at the Sibanye-Stillwater Group's South African gold operations (as described below) the Sibanye-Stillwater Group delivered an under par financial performance. However, the Sibanye-Stillwater Group's strategic commodity diversification into the PGM sector and the

geographical benefits of the Stillwater acquisition did compensate for the operational challenges experienced at the South African gold operations. The South African PGM operations performed strongly, exceeding their production guidance and coming in under cost guidance. The United States PGM operations performed well, delivering on their production and cost guidance. Both the South African and United States PGM operations maintained steady operating performances with revenues benefitting from higher palladium and rhodium prices in 2018. Despite a flat average Rand gold price received year-on-year, the impact of the safety incidents and other unanticipated operational disruptions, as well as a strike, as described below, caused production and revenue from the South African gold operations to decrease significantly.

The Sibanye-Stillwater Group's revenue for the financial year ended 31 December 2018 was R50,656 million, with adjusted EBITDA of R8,369 million and a total loss of R2,2521 million, compared with revenue of R45,912 million, adjusted EBITDA of R9,045 million and a total loss of R4,4333 million for the financial year ended 31 December 2017.

For further financial information in respect of the Sibanye-Stillwater Group, including the audited consolidated financial statements of the Sibanye-Stillwater Group for the financial years ended 31 December 2018 and 31 December 2017 (which are incorporated by reference into this document) and credit ratings information relating to the Sibanye-Stillwater Group, please see Part VI of this document. The Form 20-F annual report of the Sibanye-Stillwater Group for the fiscal year ended 31 December 2018 (being a form of annual report submitted by non-US companies who have shares traded on a US exchange) was filed with the US Securities and Exchange Commission on 8 April 2019.

#### *United States PGM operations*

The palladium price increased by 69 per cent. from US\$744/oz to over US\$1,257/oz between when the acquisition of Stillwater was announced on 9 December 2016 and 31 December 2018. After regressing in the first half of 2018, the palladium price regained its momentum in August 2018 with palladium and rhodium ending the year strongly. The nine per cent. year-on-year increase in the average 2E PGM basket price to US\$1,007/2Eoz, coupled with the strong operating performance, boosted performance from the United States PGM operations for 2018 compared to 2017. The continued rise in the palladium spot price in 2019, which increased by 37 per cent. from an average PGM basket price for 2018 of US\$1,007/2Eoz to a spot price of US\$1,375/2Eoz as at 6 March 2019, if maintained, is expected to enhance the profitability of the Sibanye-Stillwater Group's United States PGM operations.

#### *South African PGM operations*

During 2018, the Sibanye-Stillwater Group's South African PGM operations performed strongly, exceeding expectations. Despite ongoing weakness in the platinum price, the average 4E PGM basket price of R13,838/4Eoz (US\$1,045/4Eoz) in 2018 was 10 per cent. higher than it was in 2017, primarily due to significant increases in palladium and rhodium prices (which comprise approximately 31 per cent. and nine per cent. of the 4E prill split, respectively) and a weaker Rand exchange rate. The significant leverage of the Sibanye-Stillwater Group's South African PGM operations to the higher basket prices, as a result of disciplined operating performance, significantly enhanced revenue during 2018.

#### *South African gold operations*

The acquisition by Sibanye-Stillwater of a 38.05 per cent. interest in DRDGOLD, a world leader in surface gold tailings retreatment, was completed on 31 July 2018. Sibanye-Stillwater consolidated DRDGOLD into its operating and financial results from 1 August 2018 and the 2018 operating results include 1,870kg (60,122oz) of gold from DRDGOLD.

Total gold production, including DRDGOLD, declined by 16 per cent. year-on-year primarily due to the impact of: (i) the safety incidents during the first half of 2018 (as described below); (ii) other operational disruptions (including the disruption of electrical power to the Beatrix operations and seismic damage to infrastructure at the Driefontein 1 and Kloof 3 shafts); (iii) the AMCU strike in the second half of 2018 (as described below); and (iv) cessation of underground mining at the Cooke underground operations in late 2017, which accounted for 32 per cent. of the reduction. On a like-for-like basis, gold



production (excluding DRDGOLD and the Cooke underground operations) also declined by 16 per cent. year-on-year. The average Rand gold price received for 2018 of R535,929/kg (US\$1,259/oz) was flat year-on-year. Combined with the significant decline in production, this resulted in adjusted EBITDA from the South African gold operations declining when compared to 2017.

### *Safety incidents*

The Sibanye-Stillwater Group experienced a series of tragic safety incidents at the South African gold operations in the first eight months of 2018, which resulted in 24 fatalities in South Africa.

Two separate incidents in particular, at the Driefontein and Kloof operations, resulted in 12 fatalities. The first, a seismic event at Driefontein's Masakhane shaft on 3 May 2018 resulted in severe damage to the workings. While six employees were rescued, seven employees were fatally injured. Soon after this incident, on 11 June 2018 at the Kloof Ikamva shaft, five employees succumbed to heat exhaustion when a shift boss inexplicably led his team into a temporarily suspended and appropriately barricaded area, contrary to company policies. These incidents remain subject to investigations by the Department of Mineral Resources and the Sibanye-Stillwater Group is assisting with those investigations. These tragic incidents have had a significant and continuing effect on production at the South African gold operations, combined with losses in areas affected by seismicity that are subject to rehabilitation.

In response to these and other safety incidents in 2018, Sibanye-Stillwater took immediate, defined steps to enhance the safety performance at the South African gold operations in particular. Near-term, high-impact measures were implemented across the operations and medium- to long-term safe production initiatives were developed. On 1 March 2019, the Sibanye-Stillwater Group achieved seven million fatality free shifts since mid-August 2018, and on 6 March 2019, seven million fatality-free shifts were also achieved by the combined South African gold and PGM operations. Both of these milestones were record performances for these operations.

On 20 March 2019, a gravity fall of ground occurred at Sibanye-Stillwater's Thembelani shaft at the Rustenburg Operations, resulting in one fatality. The Department of Mineral Resources was notified of the incident and is investigating. The Sibanye-Stillwater Group is cooperating fully with that investigation.

### *Strike action*

On 14 November 2018, a three-year wage agreement (the "**Wage Agreement**") was signed between Sibanye-Stillwater and the National Union of Mineworkers ("**NUM**"), Solidarity and the United Association of South Africa ("**UASA**"). The Association of Mineworkers and Construction Union ("**AMCU**") declined to accept the offer. On 19 November 2018, Sibanye-Stillwater announced that it had received notice from the AMCU that it intended to embark on a protected strike action at the Sibanye-Stillwater Group's South African gold operations from 21 November 2018 (the "**Gold Operations Strike**").

On 13 December 2018, Sibanye-Stillwater, NUM, UASA and Solidarity entered into an agreement in terms of section 23(1)(d) of the LRA, extending the Wage Agreement to other employees at Sibanye-Stillwater's South African gold operations who were not parties to the Wage Agreement (including those who are members of the AMCU). In response to the Gold Operations Strike, Sibanye-Stillwater launched an urgent application to interdict the strike on the basis that the strike was now unprotected as a result of the section 23(1)(d) agreement (which enables the Wage Agreement to be extended to members of the minority union on the basis that it had been concluded with the trade unions who had as their members the majority of employees employed by the Sibanye-Stillwater Group) and therefore such employees could not continue with the strike. On 21 December 2018, the South African Labour Court (the "**Labour Court**") dismissed Sibanye-Stillwater's application and ordered a membership verification exercise to be conducted by the Commission for Conciliation Mediation and Arbitration of South Africa. Sibanye-Stillwater's application was dismissed on the basis that the AMCU created serious doubt regarding the evidence that Sibanye-Stillwater relied upon to demonstrate that NUM, UASA and Solidarity collectively had the majority of Sibanye-Stillwater's employees as their members.

On 14 January 2019, Sibanye-Stillwater received an additional notice from the AMCU, which notified Sibanye-Stillwater that the AMCU intended to embark on a secondary, protected strike at Sibanye-Stillwater's South African PGM operations in support of the primary Gold Operations Strike (the "**Secondary Strike**"). On 18 January 2019, in response to the Secondary Strike notice, Sibanye-Stillwater launched an urgent application to interdict the Gold Operations Strike on an interim basis, contending that the strike was unprotected because the Wage Agreement had been extended to employees who were non-parties, and thus such employees could not continue with such strike. On 22 January 2019, the Secondary Strike took place for one day with partial support from the AMCU members. On 8 February 2019, Sibanye-Stillwater's further application to interdict the Gold Operations Strike was dismissed as the Labour Court held that the matter had already been adjudicated as a result of the decision of the Labour Court in December 2018. On 14 February 2019, the AMCU launched an urgent application before the Labour Court seeking an order declaring that the extension of the Wage Agreement was invalid. On 18 February 2019, Sibanye-Stillwater, NUM, UASA and Solidarity entered into a further agreement under section 23(1)(d) of the LRA to extend the Wage Agreement to the minority of union employees. On 20 March 2019, the Labour Court held that extension of the Wage Agreement was valid and lawful. As a result, Sibanye-Stillwater completed an independent verification process to confirm the relevant unions' level of representation at its operations, which was required in order to implement the further agreement under section 23(1)(d) of the LRA.

On 17 April 2019, Sibanye-Stillwater announced that the Gold Operations Strike had been resolved. In order to end the Gold Operations Strike, Sibanye-Stillwater and AMCU have made certain commitments to each other, which includes AMCU entering into the Wage Agreement, affirming a commitment to conclude a peace pact within 30 days, abiding by the decisions of the relevant court and not instituting further appeals, as well as developing and implementing a plan to ensure a safe start and ramp-up of post-strike production. Sibanye-Stillwater has agreed to certain ex-gratia payments to employees, a repayable cash advance and certain other arrangements in relation to its employees. As a result, the Gold Operations Strike is no longer protected and relevant employees were notified to return to work in accordance with a production build-up schedule.

Acts of violence and intimidation, including the deaths of 9 employees and serious injury to several others, were recorded as a result of the Gold Operations Strike. Such deaths and injuries were unrelated to the Sibanye-Stillwater Group's mining operations. Throughout the Gold Operations Strike, the Sibanye-Stillwater Group engaged with the unions directly and through relevant regulatory authorities in order to try and restore peace and stability to the Sibanye-Stillwater Group's South African gold operations.

These events have had, and continue to have, a significant and continuing effect on production at the Sibanye-Stillwater Group's South African gold operations.

#### *Section 189A Consultation relating to a restructuring of Sibanye-Stillwater's South African gold operations*

While the profitability of Sibanye-Stillwater's South African gold operations is currently impacted by the production impact of the safety incidents and ongoing strike action described above, Sibanye-Stillwater has identified other fundamental profitability issues associated with its gold operations, particularly at the Driefontein 2, 6, 7 and 8 shafts and at the Beatrix 1 shaft.

On 14 February 2019, Sibanye-Stillwater announced that it had given notice of consultations with stakeholders in relation to a possible restructuring of its gold operations and associated activities, as required under section 189A of the Labour Relations Act (the "**Section 189A Consultation**"). This follows notices issued in October 2018 in respect of the Beatrix and Driefontein shafts, which advised stakeholders of the marginal profitability of the mining associated with such shafts. The purpose of these initial notices was to prompt engagement with relevant stakeholders about measures that could be taken to secure improved financial sustainability, however constructive engagements did not transpire as the strike-related issues described above dominated the intervening period.

Through the Section 189A Consultation process, Sibanye-Stillwater and affected stakeholders will together consider measures to avoid and mitigate possible retrenchments of up to 5,780 employees and 800 contractors, and seek alternatives to the potential cessation or downscaling of operations at

the affected shafts. Sibanye-Stillwater is aiming for this process to assist with repositioning the South African gold operations for sustainable, profitable, safe production.

### *Litigation*

#### *Silicosis and tuberculosis class action settlement*

During 2012 and 2014, class action proceedings were filed against the Sibanye-Stillwater Group and several other South African mining companies (the “**2012 Class Actions**”). The proceedings were in relation to current and former gold mine workers and their dependents who contracted, or died from, silicosis and tuberculosis. In May 2018, several South African mining companies, including the Sibanye-Stillwater Group, (collectively the “**Gold Working Group**”) agreed to a class action settlement with the claimants (the “**Settlement Agreement**”). The Settlement Agreement provides compensation to all eligible workers suffering from silicosis or tuberculosis who worked in the Gold Working Group’s mines from 12 March 1965 to the effective date of the Settlement Agreement. The Settlement Agreement is subject to certain suspensive conditions, including that an unconditional order of the Gauteng Division High Court, sanctioning the Settlement Agreement, is obtained. The Settlement Agreement was provisionally approved by the Gauteng Division High Court on 13 December 2018, with a return date set down for May 2019. DRDGOLD is not a party to the Settlement Agreement and remains a party to the 2012 Class Actions. DRDGOLD maintains the view that it is too early to consider settlement of the matter and to quantify any potential liability.

#### *US Class Action*

Two purported class action lawsuits were filed in June 2018 and July 2018, respectively, against Sibanye-Stillwater, Neal Froneman and Charl Keyter in the US District Court for the Eastern District of New York, alleging violations of United States’ securities laws. The two lawsuits have now been consolidated into a single action (the “**US Class Action**”) and the lead plaintiffs filed a consolidated amended complaint on 8 April 2019 against only Sibanye-Stillwater and Neal Froneman (collectively, the “**Defendants**”). The US Class Action alleges that certain statements by the Defendants were false and/or misleading. Specifically, the US Class Action alleges that the Defendants made false and/or misleading statements about Sibanye-Stillwater’s safety practices and record and thereby violated US securities laws. The US Class Action seeks an unspecified amount of damages.

The Defendants must file an answer, request a pre-motion conference, or otherwise respond to the consolidated amended complaint by 23 May 2019. As the US Class Action is still in the early stages, it is not possible to determine the likelihood of success on the merits or any potential liability from the US Class Action nor estimate the duration of the litigation. Sibanye-Stillwater intends to defend the case vigorously.

#### *Appraisal litigation regarding the Stillwater acquisition*

Following completion of the acquisition of Stillwater by Sibanye-Stillwater in May 2017, three petitions for appraisal of stock were filed in the Chancery Court for the State of Delaware. The three actions were subsequently consolidated into a single action. The appraisal action seeks a determination of the fair value of the shares of the common stock of Stillwater under section 262 of the General Corporation Law of the State of Delaware. The petitioners are seeking a judgment awarding them, amongst other things, the fair value of their common stock in Stillwater, which they contend was valued at a higher price than that which was paid by Sibanye-Stillwater, plus interest.

On 28 March 2018, Sibanye-Stillwater entered into a settlement agreement with one group of petitioners, providing for a total settlement payment of US\$7,017,743.13. Following settlement of those claims, the total number of shares of Stillwater’s common stock that are subject to the appraisal litigation is approximately 5,419,523. A trial was held in December 2018 and the parties completed post-trial briefing on 18 April 2019. Oral argument on the matter is scheduled for 1 May 2019. The fair value of Stillwater’s common stock may ultimately be determined by the Chancery Court for the State of Delaware to be equal to, or different from, the acquisition price paid by Sibanye-Stillwater.

#### *Undocumented control regarding deferred tax balance*

Based upon Sibanye-Stillwater's assessment of its internal control over financial reporting, Sibanye-Stillwater's management identified the following control deficiencies:

- Sibanye-Stillwater did not conduct an effective risk assessment on one of its United States PGM operations consolidation reporting packs to assess the impact of changes in US tax regulations on US deferred tax and related internal controls that were responsive to risks of misstatement; and
- Sibanye-Stillwater did not have an effective process to enable effective exchange of information and communication to ensure that relevant and reliable information was communicated on a timely basis such that certain process and control owners could perform their financial reporting and control responsibilities appropriately, specifically relating to: (i) the recognition, measurement and disclosure of US deferred taxes associated with consolidation entries in one of the United States PGM operations consolidation reporting packs; and (ii) the recognition and measurement of certain period end closing entries related to cash and cash equivalents, trade receivables, trade and other payables and short-term borrowing facilities.

These deficiencies resulted in a material misstatement in respect of US deferred taxes in the initial consolidated financial information for the year ended 31 December 2018, that was adjusted prior to the release of Sibanye-Stillwater's condensed consolidated preliminary financial statements and annual financial report for the year ended 31 December 2018. However, the control deficiencies created a reasonable possibility that a material misstatement to the consolidated financial statements would not be prevented or detected on a timely basis. Sibanye-Stillwater's management concluded that these deficiencies constitute material weaknesses in internal control over financial reporting and, accordingly, its disclosure controls were not effective as of 31 December 2018. While the issue relating to the risk assessment and information and communication relating to the US deferred tax has been remediated, the controls that gave rise to the material weaknesses were not operating effectively as of 31 December 2018. In addition, the remediation of the information and communication deficiency relating to certain closing entries is still in progress.

#### *Debt and liquidity profile*

The liquidity requirements of the Sibanye-Stillwater Group were improved during 2018 through the refinancing of the Sibanye-Stillwater Group's US\$350 million revolving credit facility in April 2018 and its replacement with the Sibanye-Stillwater Group's US\$600 million USD Revolving Facility Agreement. In addition, Sibanye-Stillwater completed the gold and palladium Streaming Agreement with Wheaton International in July 2018, under which Sibanye-Stillwater received an Advance Amount of US\$500 million in exchange for an amount of gold and palladium equal to a percentage of gold and palladium produced from the Sibanye-Stillwater Group's United States PGM operations. A portion of such Advanced Amount was utilised to buy back US\$415 million in aggregate of the 2023 Convertible Bonds, the 2022 and 2025 Senior Notes for a nominal consideration of US\$395 million.

The Sibanye-Stillwater Group is continuing to pursue its deleveraging strategy. The Sibanye-Stillwater Group's debt maturity profile has been carefully structured, with major debt repayments due from mid-2022.

In line with Sibanye-Stillwater's mine-to-market PGM strategy and according to the processing agreements it has in place with Anglo American Platinum, the processing arrangement for production from the Rustenburg Operations changed from a purchase of concentrate ("PoC") arrangement to a toll processing arrangement from 1 January 2019. At the current spot 4E PGM basket price, the net result of this contractual change has had a positive financial impact with the increased revenue more than offsetting the additional toll cost. However, the change in this arrangement has resulted in a delay in the recognition of revenue due to the point of sale being extended to the end of the processing pipeline, which will affect the recognition of revenue for the first quarter of 2019. As a result, this change has meant that the revenue recognition cycle has been delayed, with minimal revenue and earnings recognised from the Rustenburg Operations during the first quarter of 2019, as well as an associated deferral of the recognition of costs, a permanent increase in inventory and a similar reduction in trade receivable balances so the net impact on working capital is minimal. Cash flow has also been largely unaffected. As a result of these changes, adjusted EBITDA from the Rustenburg Operations will not be recognised during the first quarter of 2019, which will impact on Sibanye-Stillwater's net debt to adjusted EBITDA leverage ratio during the transition of such arrangements.

In anticipation of the change in revenue recognition at the Rustenburg Operations, Sibanye-Stillwater approached its lending group to provide further covenant relief. Sibanye-Stillwater obtained a covenant holiday for the first quarter of 2019 and the Sibanye-Stillwater Group's net debt to adjusted EBITDA covenant has been extended at 3.5x until the end of 2019, after which time it will be reduced to 2.5x.

In addition, Sibanye-Stillwater believes that the liquidity of the Sibanye-Stillwater Group, amounting to US\$640 million of committed financing (excluding current cash balances of approximately US\$175 million), remains strong. However, the extended Gold Operations Strike, the conclusion of which, as noted above, was announced on 17 April 2019, has adversely impacted Sibanye-Stillwater's EBITDA. Depending on certain variables, including the ramp-up of Sibanye-Stillwater's South African gold operations following the Gold Operations Strike, commodity prices and the R:US\$ exchange rate, there is a risk that Sibanye-Stillwater could breach certain of the EBITDA based covenants in its financing agreements, for the second quarter of 2019. If it appears that a potential breach in covenant ratios may be forthcoming, Sibanye-Stillwater would approach its lending group to request appropriate temporary covenant relief. Sibanye-Stillwater believes that it has an attractive financial profile and deleveraging plan and that it has good relationships with its lending banks which would favourably consider any such request, in the same way that they were supportive of the temporary covenant holiday for the first quarter of 2019, as well as the covenant uplift for the full 2019 financial year, as noted above. However, Sibanye-Stillwater cannot be certain either of the outcome of any such discussion or the cost of any such relief. As disclosed in Sibanye-Stillwater's Form 20-F, filed with the US Securities and Exchange Commission on 8 April 2019, the Sibanye-Stillwater Group may also, if necessary, consider options to increase funding flexibility which may include, among others, streaming facilities, prepayment facilities, or facility restructuring.

#### *Cash placing*

Following Sibanye-Stillwater's announcement of its intention to conduct a non pre-emptive cash placing of new Sibanye-Stillwater Shares through an accelerated bookbuild process, on 15 April 2019 Sibanye-Stillwater announced that a total of 108,932,359 new Sibanye-Stillwater Shares, representing approximately five per cent. of Sibanye-Stillwater's then in issue ordinary share capital, had been placed with existing and new institutional investors (the "**Cash Placing**"). The Cash Placing closed at a price of R15.50 per new Sibanye-Stillwater Share, raising gross proceeds of approximately R1.7 billion (US\$120 million). The New Sibanye-Stillwater Shares were admitted to listing on the Main Board of the Johannesburg Stock Exchange on 15 April 2019.

The purpose of the Cash Placing was to ensure financial flexibility for the Sibanye-Stillwater Group in light of the safety and other operational disruptions during 2018 (as described above), to ensure that any potential upcoming events affecting Sibanye-Stillwater could be negotiated in a strategically appropriate manner, as well as to favourably position Sibanye-Stillwater for any unforeseen external macro-economic downside risks. The net proceeds from the Cash Placing will be used to enhance balance sheet flexibility and ensure that the leverage of Sibanye-Stillwater is appropriately reduced.

#### *Internal reorganisation*

Sibanye-Stillwater is assessing whether to undertake an internal reorganisation in order to create a more efficient corporate structure and to facilitate the Sibanye-Stillwater Group's growth strategy. The Sibanye-Stillwater Group is considering various options to effect the reorganisation, including a scheme of arrangement under section 114 of the South African Companies Act 2008. If implemented, the reorganisation is expected to result in, among other things, the Sibanye-Stillwater Group's gold and PGM operations being held as two distinct legal entities under a new parent company. Further information is expected to be provided in due course and following Completion.

#### *Eskom unbundling*

In February 2019, the President of South Africa announced the vertical unbundling of Eskom, South African's government owned and operated provider of electricity in South Africa. While full-state ownership will be maintained, the unbundling is expected to result in the separation of Eskom's generation, transmission and distribution functions into separate entities, which may require legislative and/or policy reform. It is expected that this process will take time to implement, causing continued poor reliability of the supply of electricity and an instability in prices and a possible tariff increase above

inflation, which are expected to continue through the unbundling process. Should Sibanye-Stillwater experience tariff increases or power supply fluctuations or disruptions as a result of the unbundling or have power constraints imposed on it, its operating results and financial condition may be adversely impacted.

#### *First quarter 2019 update and outlook*

The extent and severity of Sibanye-Stillwater's challenges in 2018 were unprecedented. Despite a difficult operating environment and the ongoing strike action, as described above, Sibanye-Stillwater considers the outlook for 2019 to be positive for its South African and United States PGM operations.

The United States PGM operations experienced a slower than planned start to 2019, producing an estimated 131,000 2Eoz during the first quarter of 2019, with lower production volumes resulting in temporarily elevated costs. Sales however were in line with the plan. Production is planned to return to normal levels from the second quarter of 2019 and full year 2019 production guidance remains unchanged. Following the commissioning of the second furnace (EF2) at the Columbus Metallurgical Complex, throughput at the smelter improved, resulting in a drawdown of recycling metal inventories. The recycling division is expected to average 23.0 tonnes of feed material per day in the first quarter of 2019, compared to an average feed rate of 22.0 tonnes per day in 2018.

Attributable production from the South African PGM operations is estimated to be approximately 234,000 4Eoz for the first quarter of 2019, and in line with annual guidance. For the Rustenburg Operations, production includes ounces contained in concentrate that was delivered during the first quarter of 2019 for toll treatment. Delivery of refined metals is only expected during the second quarter of 2019.

Gold production during the first quarter of 2019 was negatively impacted by the ongoing AMCU strike and is expected to be approximately 104,000oz, 90 per cent. of what was planned under strike conditions, and 36 per cent. of production levels relative to the same period in 2018. Unit operating and all in sustaining costs are expected to be negatively impacted by the reduced production levels.

In addition, Sibanye-Stillwater believes that the Section 189A Consultation with stakeholders regarding the future of certain shafts at its South African gold operations will result in a more stable and profitable business segment, which will contribute positively to the Sibanye-Stillwater Group's earnings in future.

Precious metal prices, particularly palladium and rhodium, have increased during the first quarter of 2019 with the recent depreciation of the Rand:US\$ exchange rate, which is a significant revenue driver, boosting revenues for South African mining companies. The operating environment in South Africa remains challenging although recent political changes and a seemingly more investment-oriented approach by government are positive. While structural changes have yet to be seen, general sentiment about the country's prospects for economic stability and growth have improved.

None of the statements contained in this paragraph 8 are intended as a profit forecast and should not be interpreted as such.

## **9. INFORMATION RELATING TO LONMIN**

The Lonmin Group is a major mine-to-market producer of PGMs with core operations in South Africa. It produces PGMs predominantly used in many industrial applications, as well as in jewellery and investment, with saleable by-products, including gold, copper, nickel, chrome and cobalt. The Lonmin Group is a major global primary producer of PGMs.

Lonmin Shares are admitted to listing on the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange and have a secondary listing on the Main Board of the Johannesburg Stock Exchange. Lonmin also has an ADS programme traded on the over-the-counter market in the United States.

The Lonmin Group has total assets of US\$999 million (as at 30 September 2018) and resources of 160.8Moz (3PGE + Au) and 31.2Moz (3PGE + Au) of reserves (as at 30 September 2018).

## 10. DESCRIPTION OF THE SCHEME AND THE LONMIN SHAREHOLDER MEETINGS

### *Introduction*

The Transaction is to be implemented by means of a Court-sanctioned scheme of arrangement between Lonmin and Lonmin Shareholders pursuant to Part 26 of the UK Companies Act.

The Scheme is a legal process under the UK Companies Act, the purpose of which is to enable Sibanye-Stillwater to become the owner of the entire issued and to be issued ordinary share capital of Lonmin. In order to achieve this, it is proposed that all Lonmin Shares will be transferred to Sibanye-Stillwater, in consideration for which Lonmin Shareholders, whose names appear on the Lonmin Register of Members at the Scheme Record Time, will be entitled (subject to certain terms and conditions) to receive New Sibanye-Stillwater Shares on the basis set out in paragraph 2 of Part I of this document.

After the Effective Time, entitlements to Lonmin Shares held within the CREST system, and after the JSE Record Date in respect of entitlements to Lonmin Shares held through the Strate system, will be cancelled. For further information, see paragraph 1(a) of Part V of this document. Once the Scheme becomes Effective, share certificates in respect of Lonmin Shares will cease to be valid and must, if so requested by Lonmin, be delivered to Lonmin (or any person appointed by Lonmin to receive the same) for cancellation or, as Lonmin may direct, be destroyed.

Any Lonmin Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. Lonmin Shareholders whose names appear on the Lonmin Register of Members at the Scheme Record Time will be entitled to receive (subject to certain terms and conditions) New Sibanye-Stillwater Shares on the basis set out in paragraph 2 of Part I of this document.

In order for the Scheme to become Effective (among other things):

- at the Court Meeting, the Scheme must be approved by a majority in number of Lonmin Shareholders present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Lonmin Shares voted by such Lonmin Shareholders;
- at the Lonmin General Meeting, the Special Resolution must be approved by Lonmin Shareholders representing at least 75 per cent. of the votes cast (either in person or by proxy);
- the Court must sanction the Scheme at the Scheme Court Hearing; and
- an office copy of the Scheme Court Order approving the Scheme must be delivered to the Registrar of Companies.

The Scheme can only become Effective in accordance with its terms if all the Conditions to the Transaction have been satisfied or, where relevant, waived. Since the Announcement on 14 December 2017, certain Conditions have been satisfied, namely the receipt of approval from the Financial Surveillance Department of the South African Reserve Bank as announced on 15 May 2018 and clearance of the CMA in the UK. The SA Competition Tribunal approved the Transaction on 21 November 2018, subject to certain specific conditions, further detail relating to which is set out in paragraph 7 of Part II of this document. An appeal against the decision and order of the SA Competition Tribunal (which included the conditions imposed by the SA Competition Tribunal) was filed by the AMCU on 19 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course. The Conditions are set out in full in Part III of this document.

The Scheme will become Effective on delivery of a copy of the Scheme Court Order to the Registrar of Companies.

All Lonmin Shareholders are entitled to attend the Scheme Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme.

In accordance with the Takeover Code, modifications or revisions to the Scheme may only be made: (i) more than 14 days prior to the date of the Lonmin Shareholder Meetings (or any later day to which such Lonmin Shareholder Meetings are adjourned); or (ii) at a later date, with the consent of the Panel.

**Once the Scheme becomes Effective, it will be binding on all Lonmin Shareholders, whether or not they voted in favour of the Scheme and related issues at the Court Meeting and/or at the Lonmin General Meeting.**

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Lonmin Shareholder opinion. Lonmin Shareholders are therefore strongly urged to complete, sign and return both Forms of Proxy or appoint a proxy electronically as soon as possible. The completion and return of the relevant Form of Proxy or appointment of a proxy electronically in accordance with one of the methods set out below, will not prevent Lonmin Shareholders from attending and voting at the Court Meeting or the Lonmin General Meeting or at any adjournment thereof, if they wish and are entitled to do so.**

**Underlying SA Shareholders are strongly urged to provide voting instructions to their CSDP or broker (as applicable) in accordance with the terms of the custody agreement entered into with their CSDP or broker. Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration who wish to attend the Court Meeting or the Lonmin General Meeting in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so.**

**Further details of the Scheme and the Lonmin Shareholder Meetings are contained below in this paragraph 10.**

The Scheme is set out in full in Part IV of this document.

### ***The Lonmin Shareholder Meetings***

Before the Court is asked to sanction the Scheme, the Scheme will require the approval of Lonmin Shareholders at the Court Meeting and the passing of the Special Resolution at the Lonmin General Meeting, both of which will be held at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG on 28 May 2019. The Court Meeting will start at 11:30 a.m. (UK time) on that date and the Lonmin General Meeting at 11:45 a.m. (UK time), or as soon thereafter as the Court Meeting concludes or is adjourned.

Notice of the Court Meeting and Notice of the Lonmin General Meeting are set out at the end of this document in Part XI and Part XII of this document, respectively.

If you are a Lonmin Shareholder and propose to attend the Lonmin Shareholder Meetings, please detach and bring with you the attendance slip to assist your admission.

### ***Entitlement to vote at the Lonmin Shareholder Meetings***

#### ***Lonmin Shareholders on the Lonmin Register of Members***

Lonmin Shareholders whose names appear on the Lonmin Register of Members at the Voting Record Time (expected to be 6:30 p.m. (UK time) on 23 May 2019) will be entitled to attend and vote at the Court Meeting and the Lonmin General Meeting. If either Lonmin Shareholder Meeting is adjourned, only those Lonmin Shareholders whose names appear on the Lonmin Register of Members at 6:30 p.m. (UK time) on the day that is two Business Days before the date set for the adjourned Court Meeting and/or the adjourned Lonmin General Meeting will be entitled to attend and vote.

Each Lonmin Shareholder is entitled to appoint a proxy or proxies to attend and to vote instead of him/her. A proxy need not be a Lonmin Shareholder. Lonmin Shareholders will find enclosed with this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the Lonmin General Meeting. To be valid, those Forms of Proxy should be completed, signed and returned, in accordance with the instructions printed on them and in this document, to the relevant Lonmin Registrar (or submitted electronically, if applicable) as soon as possible and, in any event, so as to be received by no later than 11:30 a.m. (UK time) on 23 May 2019 in respect of the Court



Meeting and 11:45 a.m. (UK time) on 23 May 2019 in respect of the Lonmin General Meeting (or, in the case of an adjournment of either Lonmin Shareholder Meeting, not later than 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting).

In the case of the Court Meeting only, the blue Form of Proxy can also be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting. However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

Lonmin Shareholders are also entitled to appoint more than one proxy (whether in respect of some or all of their Lonmin Shares). A space has been included in the Forms of Proxy to allow Lonmin Shareholders to specify the number of Lonmin Shares in respect of which that proxy is appointed. Lonmin Shareholders who return a Form of Proxy duly executed but leave this space blank will be deemed to have appointed a proxy in respect of all of their Lonmin Shares.

Lonmin Shareholders who wish to appoint more than one proxy in respect of their shareholding should photocopy the Forms of Proxy or contact the relevant Lonmin Registrar for multiple Forms of Proxy.

Lonmin Shareholders may complete and submit the Forms of Proxy electronically via Equiniti's website at [www.sharevote.co.uk](http://www.sharevote.co.uk).

If you are a Lonmin Shareholder holding Lonmin Shares on the UK Register through CREST, you are able to use the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the Lonmin General Meeting set out in Part XII of this document).

Proxies sent electronically must be sent as soon as possible and, in any event, so as to be received by Equiniti, the UK Registrar, by not later than 11:30 a.m. (UK time) on 23 May 2019 in respect of the Court Meeting and 11:45 a.m. (UK time) on 23 May 2019 in respect of the Lonmin General Meeting (or, in the case of an adjournment of either Lonmin Shareholder Meeting, not later than 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting).

The completion and return of a Form of Proxy or electronic appointment of a proxy shall not prevent a Lonmin Shareholder from attending and voting in person at either Lonmin Shareholder Meeting or any adjournment. In the event of a poll on which a Lonmin Shareholder votes in person, his/her proxy votes lodged with Lonmin will be excluded.

#### *Underlying SA Shareholders*

Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with "own name" registration or without "own name" registration and who wish to provide voting instructions for (but not attend in person) the Lonmin Shareholder Meetings or any adjournments thereof should, within the time period required by their CSDP or broker or as stipulated by the terms of the custody agreement entered into between the Underlying SA Shareholder and their CSDP or broker, provide their CSDP or broker with their voting instructions in accordance with the terms of such custody agreement. Any such Underlying SA Shareholders who wish to attend one or both of the Lonmin Shareholder Meetings in person should, in accordance with the timeframe and other terms of the custody agreement entered into between the Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so.

If the relevant CSDP or broker does not obtain voting instructions from such Underlying SA Shareholder, or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the Underlying SA Shareholder and the CSDP or broker.

Further information on the action to be taken is set out on pages 69 to 74 (inclusive) of this Part II.

### ***The Court Meeting***

The Court Meeting, which has been convened for 11:30 a.m. (UK time) on 28 May 2019 at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG, is being held at the direction of the Court for the purpose of enabling Lonmin Shareholders to consider and, if thought fit, approve the Scheme. The Court will not grant the Scheme Court Order unless the Scheme is approved by Lonmin Shareholders at the Court Meeting by the requisite statutory majorities.

At the Court Meeting, voting will be by poll and each Lonmin Shareholder present (in person or by proxy) will be entitled to one vote for each Lonmin Share held at the Voting Record Time. In order for the Scheme to be approved at the Court Meeting, those voting to approve the Scheme must:

- represent a majority in number of those Lonmin Shareholders present and voting in person or by proxy; and
- represent not less than 75 per cent. in nominal value of the Lonmin Shares voted by those Lonmin Shareholders present and voting in person or by proxy.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Lonmin Shareholder opinion. Lonmin Shareholders are therefore strongly urged to complete, sign and return both Forms of Proxy or appoint a proxy electronically, as soon as possible.**

**Underlying SA Shareholders are strongly urged to provide voting instructions to their CSDP or broker (as applicable) in accordance with the terms of the custody agreement entered into with their CSDP or broker.**

The Notice of the Court Meeting can be found in Part XI of this document.

### ***The Lonmin General Meeting***

The Lonmin General Meeting has been convened for the same date as the Court Meeting and will be held at 11:45 a.m. (UK time) on 28 May 2019 (or immediately after the conclusion or adjournment of the Court Meeting) at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG, to consider and, if thought fit, pass the Special Resolution to:

- (A) authorise the Lonmin Directors to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (B) approve certain amendments to the Lonmin Articles to ensure that:
- (1) any Lonmin Shares which are issued after the Lonmin Articles are amended and prior to the Scheme Record Time (other than to Sibanye-Stillwater and/or its nominee(s)) will be issued subject to the terms of the Scheme and the holders of such Lonmin Shares will be bound by the terms of the Scheme; and
  - (2) subject to the Scheme becoming Effective, any Lonmin Shares issued on or after the Scheme Record Time (other than to Sibanye-Stillwater and/or its nominee(s)), including Lonmin Shares issued in satisfaction of the vesting and exercise of awards and options under the Lonmin Share Plans, will be compulsorily acquired by Sibanye-Stillwater, in consideration of (subject to certain terms and conditions) the allotment and issue or transfer of New Sibanye-Stillwater Shares on the same basis as Lonmin Shareholders are entitled to receive under the Scheme.

Part (A) of the Special Resolution is being proposed so that the Lonmin Directors are authorised to take all actions that they consider necessary or appropriate for carrying the Scheme into effect.

Part (B) of the Special Resolution is being proposed to avoid any person (other than Sibanye-Stillwater and/or its nominee(s)) being left with Lonmin Shares after dealings in such Lonmin Shares have been suspended or their listing has been cancelled. The proposed amendments to the Lonmin Articles are set out in full in the Notice of the Lonmin General Meeting in Part XII of this document.

Copies of the existing Lonmin Articles and copies of the Lonmin Articles as proposed to be amended by the Special Resolution are available for further inspection at the offices of Herbert Smith Freehills

LLP, Exchange House, Primrose Street, London, EC2A 2EG, United Kingdom and Cliffe Dekker Hofmeyr Inc, 1 Protea Place, corner Fredman Drive, Sandown, Johannesburg, South Africa, during normal business hours on weekdays (Saturdays, Sundays and public holidays excluded) until the close of the Lonmin General Meeting and will also be available for inspection at the place of the Lonmin General Meeting for at least 15 minutes prior to, and during, the Lonmin General Meeting.

At the Lonmin General Meeting, voting will be by way of poll and each Lonmin Shareholder present (in person or by proxy) will be entitled to one vote for each Lonmin Share held. In order for the Special Resolution to be passed, it must be approved by votes in favour representing at least 75 per cent. of the votes cast either in person or by proxy.

You will find the Notice of the Lonmin General Meeting in Part XII of this document.

### ***Sanction of the Scheme by the Court***

The Scheme requires the sanction of the Court at the Scheme Court Hearing. Lonmin will give adequate notice of the date and time of the Scheme Court Hearing, once known, by issuing an announcement through a Regulatory Information Service and on SENS. The Scheme Court Hearing is expected to be held on 7 June 2019. The Scheme will become Effective on delivery of a copy of the Scheme Court Order to the Registrar of Companies.

If the Scheme becomes Effective:

- it will be binding on all Lonmin Shareholders irrespective of whether or not they attended the Lonmin Shareholder Meetings or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolution at the Lonmin General Meeting;
- share certificates in respect of Lonmin Shares will cease to be valid and must, if so requested by Lonmin, be delivered to Lonmin (or any person appointed to Lonmin to receive the same) for cancellation, or as Lonmin may direct, be destroyed;
- entitlements to Lonmin Shares held within the CREST and Strate systems will be cancelled; and
- all of the Lonmin Shares will be transferred to Sibanye-Stillwater and, in consideration for such transfer, New Sibanye-Stillwater Shares will be issued to former Lonmin Shareholders.

The terms of the Scheme provide that the Lonmin Shares will be acquired under the Scheme fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights and interests of any nature and together with all rights now or hereafter attaching to them, including, without limitation, voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid, or any other returns of capital (whether by reduction of share capital or share premium account or otherwise) made, by Lonmin by reference to a record date on or after the Effective Date.

If the Scheme does not become Effective on or before the Longstop Date, it will lapse and the Transaction will not proceed (unless the Longstop Date is extended to a later date as may be agreed in writing by Lonmin and Sibanye-Stillwater (with the Panel's consent and as the Court may approve (if such approval(s) are required))).

The Scheme is governed by English law and is subject to the jurisdiction of the courts of England and Wales. The Scheme is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the Financial Conduct Authority.

### ***Alternative means of implementing the Transaction***

Sibanye-Stillwater has reserved the right to implement the Transaction by way of a Takeover Offer, in which case additional documents will be sent to Lonmin Shareholders. In such event, such Takeover Offer will (unless otherwise agreed between Sibanye-Stillwater, Lonmin and the Panel) be implemented on the same terms and conditions (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme.

Sibanye-Stillwater and Lonmin have agreed in principle that, if the Transaction does not complete as a result of Sibanye-Stillwater Shareholders not passing the resolution to be proposed at the Sibanye-

Stillwater Shareholder Meeting, Sibanye-Stillwater and Lonmin will, at Lonmin's option, enter into good faith discussions to enter into an asset transaction as envisaged as part of the Operational Review pursuant to which Sibanye-Stillwater would acquire Lonmin assets of sufficient quantum to ensure Lonmin could continue to operate as a going concern in the medium term. Such an arrangement would be subject to all necessary approvals, including by Lonmin Shareholders.

## **11. SIBANYE-STILLWATER SHAREHOLDER APPROVAL**

The Scheme is conditional on, among other things, Sibanye-Stillwater Shareholders passing the ordinary resolution summarised below as required under Sibanye-Stillwater's memorandum of incorporation. The Sibanye-Stillwater Shareholder Meeting will be held at 8:30 a.m. (South African standard time) on 28 May 2019 at Sibanye-Stillwater Academy, Rietkloof 349, Glenharvie, 1786, South Africa.

The ordinary resolution to be proposed at the Sibanye-Stillwater Shareholder Meeting provides that:

- (i) the Sibanye-Stillwater directors be authorised to allot and issue up to a maximum of 295,000,000 New Sibanye-Stillwater Shares as the consideration payable by Sibanye-Stillwater for the Transaction; and
- (ii) the directors of Sibanye-Stillwater be authorised to take all steps and actions that may be required to allot and issue such New Sibanye-Stillwater Shares.

The passing of such ordinary resolution requires more than 50 per cent. of the votes exercised on such ordinary resolution to be in favour of it by all Sibanye-Stillwater Shareholders eligible to vote and present in person or by proxy at the Sibanye-Stillwater Shareholder Meeting at which it is proposed. The authority to allot the New Sibanye-Stillwater Shares represents authority in relation to approximately 12 per cent. of the total issued ordinary share capital of Sibanye-Stillwater as at the Last Practicable Date.

If such ordinary resolution is not passed, the Scheme will not proceed.

## **12. CONDITIONS TO THE TRANSACTION**

The Conditions which must be satisfied (or, where applicable, waived by Sibanye-Stillwater) in order for the Scheme and the Transaction to become Effective are set out in full in Part III of this document and include, among other things:

- (i) the approval of the Scheme at the Court Meeting by a majority in number of the Lonmin Shareholders present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Lonmin Shares voted by such Lonmin Shareholders;
- (ii) the Special Resolution in connection with or required to approve and implement the Scheme being duly passed by Lonmin Shareholders representing at least 75 per cent. of the votes cast at the Lonmin General Meeting (either in person or by proxy);
- (iii) approval by Sibanye-Stillwater Shareholders of the allotment and issue of the New Sibanye-Stillwater Shares at the Sibanye-Stillwater Shareholder Meeting, by way of ordinary resolution;
- (iv) all and any approvals for the Transaction that may be required in terms of the South African Competition Act being granted by the South African Competition Authorities (being the SA Competition Tribunal or the CACSA, as the case may be);
- (iv) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Lonmin and Sibanye-Stillwater);
- (v) the delivery of an office copy of the Scheme Court Order to the Registrar of Companies;
- (vi) approval or approval in principle from the Johannesburg Stock Exchange in accordance with the terms of the JSE Listings Requirements in respect of:
  - (a) the Admission of the New Sibanye-Stillwater Shares to the Main Board of the Johannesburg Stock Exchange; and
  - (b) the Admission of the New Sibanye-Stillwater Shares to trading becoming effective in accordance with the JSE Listings Requirements;

- (vii) the Scheme becoming Effective by the Longstop Date, being 30 June 2019 (or such later date as may be agreed by Sibanye-Stillwater and Lonmin (with the Panel's consent and as the Court may approve (if such approval(s) are required)));
- (viii) no cancellation of Lonmin Mining Rights; and
- (ix) no suspension of payments, moratorium of indebtedness, winding-up (voluntary or otherwise), dissolution, reorganisation or the appointment of a receiver, administrator, manager, administrative receiver, trustee, business rescue practitioner or similar officer or any analogous or equivalent steps or proceedings in respect of the Wider Lonmin Group.

Since the Announcement on 14 December 2017, certain Conditions have been satisfied, namely the receipt of approval from the Financial Surveillance Department of the South African Reserve Bank as announced on 15 May 2018 and clearance of the CMA in the UK. The SA Competition Tribunal approved the Transaction on 21 November 2018, subject to certain specific conditions, further detail relating to which is set out in paragraph 7 of Part II of this document. An appeal against the decision and order of the SA Competition Tribunal (which included the conditions imposed by the SA Competition Tribunal) was filed by the AMCU on 19 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course.

### **13. COMPLETION OF THE TRANSACTION**

The last day of dealings in Lonmin Shares on the London Stock Exchange is expected to be 7 June 2019 and no transfers of Lonmin Shares will be registered after 6:00 p.m. (UK time) on that date.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for the cancellation of the listing of the Lonmin Shares on the Official List and of the trading in Lonmin Shares on the London Stock Exchange's Main Market for listed securities respectively. Application will also be made to the Johannesburg Stock Exchange for the cancellation of listing and trading of Lonmin Shares on the Main Board of the Johannesburg Stock Exchange. The delisting of the Lonmin Shares on the London Stock Exchange and on the Johannesburg Stock Exchange shall only occur after Sibanye-Stillwater has acquired full title to the Lonmin Shares (i.e. once the Scheme has become effective in accordance with its terms and the Lonmin Register of Members has been updated to reflect Sibanye-Stillwater as the Holder of the Lonmin Shares). Accordingly, this timing is subject to change.

Subject to the satisfaction or, where applicable, waiver of the Conditions (other than those Conditions which relate to Admission and to approval of the Transaction by Sibanye-Stillwater Shareholders), it is expected that the Scheme will become Effective in June 2019. It is expected that Admission of the New Sibanye-Stillwater Shares to the Main Board of the Johannesburg Stock Exchange will become effective and dealings for normal settlement in the New Sibanye-Stillwater Shares will commence at or shortly after 9:00 a.m. (South African standard time) on the Admission Date.

### **14. LONMIN ADSs**

New Sibanye-Stillwater Shares will not be issued to Lonmin ADS Holders, and it is not proposed to establish any new ADS scheme for Lonmin ADS Holders in respect of any of the New Sibanye-Stillwater Shares. Therefore, if the Scheme becomes Effective, the Lonmin Depositary will try to sell the New Sibanye-Stillwater Shares it receives pursuant to the Transaction on behalf of Lonmin ADS Holders, will call for surrender of the Lonmin ADSs and, upon those surrenders, will deliver the proceeds of that sale, net of applicable fees, expenses, taxes and governmental charges to the Lonmin ADS Holders entitled thereto in accordance with the terms of the Deposit Agreement. As soon as reasonably practicable following Completion, the Lonmin Depositary will make an announcement to this effect and it is expected that the Lonmin ADS programme will be closed 90 days after that announcement. Thereafter, the Lonmin ADS programme will be terminated in accordance with its terms.

No voting materials will be distributed to Lonmin ADS Holders in connection with the Scheme. However, Lonmin ADS Holders are entitled to instruct the Lonmin Depositary how to vote with respect

to the Lonmin Shares represented by their Lonmin ADSs, and the Lonmin Depositary is obligated to endeavour to carry out instructions of that kind. If you hold Lonmin ADSs and wish to vote, please contact the Lonmin Depositary for further information.

Lonmin ADS Holders will not be entitled to vote directly on the Scheme or the Transaction. If you hold Lonmin ADSs and wish to vote directly on the Scheme (rather than instructing the Lonmin Depositary how to vote as described above) or to receive New Sibanye-Stillwater Shares pursuant to the Transaction, you must surrender your Lonmin ADSs to the Lonmin Depositary, pay the Lonmin Depositary's fees and charges in accordance with the Deposit Agreement and become a holder of Lonmin Shares prior to the Voting Record Time or Scheme Record Time, as applicable, and, in each case, subject to and in accordance with the terms of the Deposit Agreement. Lonmin ADS Holders who wish to vote directly on the Scheme or to receive New Sibanye-Stillwater Shares pursuant to the Transaction should take care to surrender their Lonmin ADSs in time to permit processing to be completed by the Lonmin Depositary and its UK custodian prior to the Voting Record Time or the Scheme Record Time, as applicable. If you hold Lonmin ADSs through a broker or other securities intermediary, you should contact that broker or intermediary to determine the date by which you must instruct them to act in order that the necessary processing can be completed in time.

## 15. OVERSEAS SHAREHOLDERS

### *General*

The availability of the Scheme and the Transaction to Overseas Shareholders may be affected by the laws of each relevant jurisdiction. It is the responsibility of Overseas Shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the allotment and issue of New Sibanye-Stillwater Shares, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction. Lonmin Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

If, in respect of any Overseas Shareholder or any other Lonmin Shareholder whom Sibanye-Stillwater reasonably believes is a citizen, resident or national of a jurisdiction outside the United Kingdom, South Africa or the United States, Sibanye-Stillwater is advised that the allotment, issue or delivery of New Sibanye-Stillwater Shares to such shareholder pursuant to the Scheme would or may infringe the laws of any jurisdiction, or would or might require compliance by Lonmin or Sibanye-Stillwater (as the case may be) with any governmental or other consent or any registration, filing or other formality with which Sibanye-Stillwater is unable to comply or compliance with which Sibanye-Stillwater in its absolute discretion regards as unduly onerous, then Sibanye-Stillwater may, in its absolute discretion, determine either:

- (a) that such New Sibanye-Stillwater Shares shall not be issued to such Lonmin Shareholder but shall instead be issued to a person appointed by Sibanye-Stillwater to hold such New Sibanye-Stillwater Shares for such Lonmin Shareholder on terms that such person shall, as soon as practicable following the Effective Date, sell the New Sibanye-Stillwater Shares so issued; or
- (b) that such New Sibanye-Stillwater Shares shall be sold, in which event the New Sibanye-Stillwater Shares shall not be issued to such Lonmin Shareholder and Sibanye-Stillwater shall appoint a person who shall be authorised on behalf of such Lonmin Shareholder to procure that such New Sibanye-Stillwater Shares shall, as soon as practicable following the Effective Date, be sold.

Any sale under paragraph (a) or (b) above shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale) shall be paid to such Lonmin Shareholder by sending a cheque, making an electronic funds transfer or by creating an assured payment obligation in accordance with the terms of the Scheme, in due proportions rounded down to the nearest ZAR cent or Sterling penny (as applicable). In the case of such Overseas Shareholders or Lonmin Shareholders who are on the UK Register, the aggregate net proceeds of sale due shall be converted from South African Rand to Sterling at an exchange rate (rounded down to two decimal places) that is determined by Sibanye-Stillwater (or its nominee(s)) and shall be paid net of all deductions for costs and expenses incurred in respect of currency conversion and related transfers. Any sums retained by Sibanye-

Stillwater (or its nominee(s)) as a result of the rounding down of such payments shall be donated to charity. Any remittance of the net proceeds of the sale referred to shall be at the risk of such Lonmin Shareholder.

If you are an Overseas Shareholder or a Lonmin Shareholder who is a citizen, resident or national of a jurisdiction outside the United Kingdom, South Africa or the United States and believe that you cannot be allotted or issued New Sibanye-Stillwater Shares for the reasons described above, please contact the UK Registrar or the South African Registrar, as applicable depending on whether you hold your Lonmin Shares (or entitlement thereof) on the UK Register or the South African Register.

### ***US Holders***

The New Sibanye-Stillwater Shares have not been, and will not be, registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Sibanye-Stillwater Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into or from the United States absent registration under the US Securities Act or an exemption therefrom. The New Sibanye-Stillwater Shares are expected to be issued in reliance on the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. The New Sibanye-Stillwater Shares generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and the New Sibanye-Stillwater Shares issued to a Lonmin Shareholder who is neither an affiliate, for the purpose of the US Securities Act, of Lonmin prior to the Effective Time nor an affiliate of Sibanye-Stillwater on or after the Effective Time may be resold without restriction under the US Securities Act. Lonmin Shareholders who are affiliates of Lonmin prior to the Effective Time or affiliates of Sibanye-Stillwater on or after the Effective Time will be subject to certain restrictions under the US Securities Act on the resale of any New Sibanye-Stillwater Shares received by them in the Scheme and may not resell the New Sibanye-Stillwater Shares received under the Scheme without registration under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

For the purposes of the US Securities Act, an affiliate of either Lonmin or Sibanye-Stillwater is any person who directly or indirectly controls, or is controlled by, or is under common control of, a Lonmin or Sibanye-Stillwater entity. Whether a person is an affiliate of either Lonmin or Sibanye-Stillwater for the purposes of the US Securities Act depends on the circumstances, but affiliates generally include officers, directors and significant shareholders. Persons who believe that they may be affiliates of either Lonmin or, on or after the Effective Time, Sibanye-Stillwater, should consult their own legal advisers prior to any sale of the New Sibanye-Stillwater Shares received upon the implementation of the Scheme.

**For the purpose of qualifying for the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof with respect to the New Sibanye-Stillwater Shares issued pursuant to the Scheme, Lonmin will advise the Court through counsel that its sanctioning of the Scheme will be relied upon by Sibanye-Stillwater as an approval of the Scheme following a hearing on its fairness to Lonmin at which hearing all Lonmin Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all such shareholders.**

**Overseas Shareholders and Lonmin ADS Holders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme and the Transaction in their particular circumstances.**

## **16. THE LONMIN DIRECTORS AND THE EFFECT OF THE SCHEME ON THEIR INTERESTS**

Details of the interests of the Lonmin Directors in the share capital of Lonmin are as set out in paragraph 5 of Part IX of this document. Lonmin Shares held by the Lonmin Directors will be subject to the Scheme.

In common with the other participants in the Lonmin Share Plans, Lonmin Directors who are holders of options under those plans will be able to exercise their options as described in further detail in paragraph 17 of this Part II.

Details of the service contracts (including termination provisions) of the executive Lonmin Directors, the letters of appointment of the non-executive Lonmin Directors and the effect of the Transaction thereon are set out in paragraph 8 of Part IX of this document. The non-executive Lonmin Directors will resign from the Lonmin Board upon Completion and each non-executive Lonmin Director's fees up to and including the date of such resignation will be paid pro rata, but no further fees or compensation will be payable.

Sibanye-Stillwater has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the Lonmin General Meeting from Brian Beamish, Ben Magara, Varda Shine, Jonathan Leslie and Dr Len Konar, a former Lonmin Director, in respect of their entire beneficial holdings of, in aggregate, 75,498 Lonmin Shares, representing approximately 0.027 per cent. of the issued ordinary share capital of Lonmin as at the Last Practicable Date.

Save as set out above, the effect of the Scheme on the interests of the Lonmin Directors does not differ from its effect on the like interests of any Lonmin Shareholder.

## **17. LONMIN SHARE PLANS**

The Scheme will extend to any Lonmin Shares which are unconditionally allotted, issued and fully paid prior to the Scheme Record Time to satisfy the vesting and exercise of awards and options under the Lonmin Share Plans. The Scheme will not extend to any Lonmin Shares allotted or issued at any time on or after the Scheme Record Time. The current intention is that Lonmin Shares issued on the vesting and exercise of awards and options will be unconditionally allotted, issued and fully paid prior to the Scheme Record Time and will therefore be subject to the Scheme.

If required, by virtue of the new article which is proposed to be inserted into the Lonmin Articles as proposed to be amended by the Special Resolution at the Lonmin General Meeting, any Lonmin Shares issued on or after the Scheme Record Time will be automatically transferred to Sibanye-Stillwater and/or its nominee(s) in return for the same consideration as Lonmin Shareholders are entitled to receive under the Transaction.

Participants in the Lonmin Share Plans will be sent letters explaining the effect of the Transaction on their rights under each plan and any choices available to them. Awards and options granted under the Lonmin Share Plans will vest and be exercised in accordance with their terms and the resulting Lonmin Shares will become subject to the Scheme or the Lonmin Articles as proposed to be amended by the Special Resolution at the Lonmin General Meeting as referred to above.

Lonmin and Sibanye-Stillwater have agreed that, where any Lonmin Share Plan provides for the exercise of discretion, the exercise of any such discretion shall be a matter solely for the Remuneration Committee, acting reasonably.

### ***Long Term Incentive Plan ("LTIP")***

In accordance with the rules of the LTIP, all subsisting but unvested LTIP awards as at the date of the Scheme Court Hearing will vest following the sanction of the Scheme on the date of the Scheme Court Hearing (subject to an assessment by the Remuneration Committee of the extent to which any performance conditions attaching to the LTIP awards have been met). Time apportionment shall apply unless the Remuneration Committee at its absolute discretion considers it inappropriate.

Lonmin Shares acquired pursuant to the vesting of LTIP awards shall become subject to the Scheme.

### ***Annual Share Award Plan ("ASAP")***

In accordance with the rules of the ASAP, all subsisting but unvested ASAP options as at the date of the Scheme Court Hearing will vest and become exercisable in full following the sanction of the Scheme on the date of the Scheme Court Hearing. All ASAP options (whether currently vested and unexercised, or those which vest as a result of the sanction of the Scheme) shall be automatically deemed to be exercised immediately following sanction of the Scheme.

Lonmin Shares acquired pursuant to the ASAP shall become subject to the Scheme.



## 18. OFFER-RELATED ARRANGEMENTS

### ***Confidentiality Agreement***

Sibanye-Stillwater and Lonmin entered into a confidentiality and standstill agreement on 18 October 2017 (the “**Confidentiality Agreement**”) pursuant to which each of Sibanye-Stillwater and Lonmin has undertaken to keep confidential information relating to the other party, not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation and only to use it in connection with the Transaction. These confidentiality obligations will remain in force until Completion or, in the event of termination of the Transaction, for a period of two years from the date of the Confidentiality Agreement. Sibanye-Stillwater also agreed to certain standstill undertakings, all of which ceased to apply upon the release of the Announcement.

The Confidentiality Agreement also contains undertakings from both Lonmin and Sibanye-Stillwater that, for a period of 18 months from the date of the Confidentiality Agreement, neither Sibanye-Stillwater nor Lonmin will, directly or indirectly, solicit or entice away certain persons employed or engaged by the other party or any of its affiliates with a view to inducing those employees to leave such employment or engagement, nor, directly or indirectly, solicit, entice away, canvass or approach certain suppliers or customers of the other party or any of its affiliates for the purpose of offering or receiving goods or services of the same or similar type from or to such person.

### ***Co-operation Agreement***

Sibanye-Stillwater and Lonmin have entered into the Co-operation Agreement dated 14 December 2017, pursuant to which, among other things, Sibanye-Stillwater agreed to lead in developing, preparing and submitting all filings, notifications or submissions in relation to all clearances and regulatory conditions with respect to the Transaction, except to the extent that: (i) Lonmin is required to make its own filings, notifications or submissions (in which case, Lonmin will submit such filings, notifications or submissions); or (ii) Sibanye-Stillwater and Lonmin are required to make joint filings, notifications or submissions (in which case, Sibanye-Stillwater and Lonmin will jointly submit such filings, notifications or submissions). Sibanye-Stillwater and Lonmin have also agreed to provide such information and assistance as the other party may reasonably request for the purpose of obtaining all regulatory clearances.

The Co-operation Agreement also records Sibanye-Stillwater’s and Lonmin’s intention to implement the Transaction by way of the Scheme, subject to Sibanye-Stillwater having the right to implement the Transaction by way of a Takeover Offer in certain circumstances. The Co-operation Agreement also provides that Sibanye-Stillwater will consult Lonmin in relation to the preparation of the Sibanye-Stillwater Circular. Sibanye-Stillwater also agreed to provide promptly to Lonmin all such information relating to Sibanye-Stillwater and assistance as Lonmin may reasonably request for the purpose of preparing this document (and/or other Lonmin Shareholder documentation).

The Co-operation Agreement also includes undertakings by Sibanye-Stillwater to: (i) convene the Sibanye-Stillwater Shareholder Meeting, which is expected to be held at or around the same time as the Lonmin General Meeting, as soon as reasonably practicable following the receipt of all the relevant clearances from the competition and regulatory authorities, in particular those in South Africa and the United Kingdom (or, if applicable, the European Union (in case a referral is made to the European Commission pursuant to Article 22 of Council Regulation (EC) 139/2004)) (unless Sibanye-Stillwater and Lonmin otherwise agree); and (ii) recommend that Sibanye-Stillwater Shareholders vote in favour of the relevant resolution at the Sibanye-Stillwater Shareholder Meeting.

Lonmin and Sibanye-Stillwater have agreed that the Co-operation Agreement will terminate in the following circumstances:

- (i) the Scheme is withdrawn or lapses prior to the Longstop Date, other than where such lapse or withdrawal: (a) is a result of Sibanye-Stillwater exercising its right to implement the Transaction by way of a Takeover Offer; or (b) either is not confirmed by Sibanye-Stillwater or is followed within five Business Days by an announcement under Rule 2.7 of the Takeover Code made by Sibanye-Stillwater (or a person acting in concert with it) to implement the Transaction by way of a different offer or scheme or arrangement on substantially the same or improved terms;
- (ii) the Lonmin Directors fail to recommend that Lonmin Shareholders vote in favour of the Scheme or they withdraw, qualify or modify the recommendation in an adverse manner or announce an

intention to do so prior to the Court Meeting and the Lonmin General Meeting and Sibanye-Stillwater elects to terminate the Co-operation Agreement;

- (iii) if Sibanye-Stillwater elects to exercise its right to implement the Transaction by way of a Takeover Offer, the Lonmin Directors withdraw, qualify or modify their recommendation of the Takeover Offer in an adverse manner or announce an intention to do so and Sibanye-Stillwater elects to terminate the Co-operation Agreement;
- (iv) the Scheme does not become Effective before the Longstop Date, or if Sibanye-Stillwater elects to exercise its right to implement the Transaction by way of a Takeover Offer and the Takeover Offer does not become wholly unconditional before the Longstop Date; or
- (v) Sibanye-Stillwater and Lonmin agree in writing to such termination.

The Co-operation Agreement also contains provisions that will apply in respect of Lonmin Share Plans, including that Lonmin has agreed that it will not process or issue any Lonmin Shares to satisfy the vesting and exercise of any awards and options granted under the Lonmin Share Plans between the Scheme Record Time and the Effective Date.

On 15 January 2019, Sibanye-Stillwater and Lonmin entered into an amendment agreement to the Co-operation Agreement under which the Longstop Date was amended from 28 February 2019 to 30 June 2019. This extension was necessary to prevent the Transaction lapsing on 28 February 2019 due to the delay to the timetable caused by the AMCU filing an appeal with the CACSA against the SA Competition Tribunal's decision of 21 November 2018 on 18 December 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course.

#### ***Regulatory Clean Team Protocol***

Sibanye-Stillwater and Lonmin have put in place a Regulatory Clean Team Protocol which sets out how confidential information that is competitively sensitive can be disclosed, used or shared between Sibanye-Stillwater's external legal counsel and/or economists and Lonmin's external legal counsel and/or economists for the purposes of obtaining the consent of competition authorities and/or other regulatory clearances in connection with the Transaction.

#### ***Due Diligence Clean Team Protocol***

In addition, Sibanye-Stillwater and Lonmin have put in place a Due Diligence Clean Team Protocol which sets out how certain other confidential information that is competitively sensitive can be disclosed, used or shared between Sibanye-Stillwater and Lonmin and their professional advisers for the purposes of due diligence, synergies determination, evaluation, transition planning and regulatory clearances in connection with the Transaction.

### **19. DIVIDENDS**

The Exchange Ratio and the Revised Exchange Ratio assume that Lonmin Shareholders will not receive any dividend after the date of the Announcement.

If, prior to the Effective Date, any dividend, distribution or other return of value is proposed, declared, paid or made or becomes payable by Lonmin and with a record date on or before the Effective Date, Sibanye-Stillwater will have the right (without prejudice to any right Sibanye-Stillwater may have, with the consent of the Panel, to invoke Condition 3(j)(ii) as set out in Part A of Part III of this document) to adjust the Revised Exchange Ratio downwards to reflect the aggregate amount of such dividend, distribution or other return of value. In such circumstances, Lonmin Shareholders would be entitled to retain any such dividend or distribution or other return of capital declared, made or paid.

If any such dividend, distribution or other return of value is paid or made before the Effective Date and Sibanye-Stillwater exercises its rights to adjust the Revised Exchange Ratio, any reference in this document to the Revised Exchange Ratio will be deemed to be a reference to the Revised Exchange Ratio as so adjusted.

To the extent that such a dividend, distribution or other return of value has been declared or announced but not paid or made or is not payable by reference to a record date prior to the Effective Date or will be: (i) transferred pursuant to the Transaction on a basis which entitles Sibanye-Stillwater to receive the dividend or distribution and to retain it; or (ii) cancelled, the Revised Exchange Ratio will not be subject to any adjustment.

Sibanye-Stillwater also has the right to adjust the Revised Exchange Ratio in such circumstances as are, and by such amount as is, permitted by the Panel.

Any exercise by Sibanye-Stillwater of its rights referred to in this paragraph 19 will be the subject of an announcement and, for the avoidance of doubt, will not be regarded as constituting any revision or variation of the Transaction.

## 20. EXCHANGE CONTROL

### **South African Exchange Control Regulations**

This paragraph 20 sets out a summary of the impact of the South African Exchange Control Regulations in the context of the Transaction for Lonmin Shareholders registered on the South African Register and Underlying SA Shareholders who hold Lonmin Shares in uncertificated form through the Strate system. Accordingly, this paragraph 20 is not relevant for Lonmin Shareholders who hold Lonmin Shares on the UK Register.

In South Africa, the Transaction has been approved by the Financial Surveillance Department of the South African Reserve Bank, which included, *inter alia*, approval of the:

- Lonmin Shareholders holding New Sibanye-Stillwater Shares to which they are entitled pursuant to the Scheme;
- the retention of the “loop structure” prohibited by the South African Exchange Control Regulations which will be temporarily created upon the implementation of the Transaction, and the collapse of such “loop structure” within a period of 12 months of Completion; and
- the blanket endorsement, in terms of the South African Exchange Control Regulations, of the New Sibanye-Stillwater Shares to be issued to South African non-residents as “non-resident”.

Approval of the Transaction by the Financial Surveillance Department of the South African Reserve Bank is subject to the following conditions, which are expected to be fulfilled in due course:

- confirmation to the Financial Surveillance Department of the South African Reserve Bank that the Transaction is concluded at arm’s length, for a fair and market-related price;
- adherence to the conditions outlined in section B.2(C)(ii)(e) of the Currency and Exchanges Manual for Authorised Dealers, which relates to foreign direct investments by South African companies exceeding ZAR1 billion; and
- provision of a schedule to the Financial Surveillance Department of the South African Reserve Bank listing the New Sibanye-Stillwater Shares issued pursuant to the Transaction to non-residents and endorsed “non-resident” in terms of the South African Exchange Control Regulations, as well as the details of the Lonmin Shareholders to whom the New Sibanye-Stillwater Shares were issued.

### **Residents of the Common Monetary Area**

In the case of:

- Lonmin Shareholders registered on the South African Register as at the Scheme Record Time, whose registered addresses in the South African Register as at the Scheme Record Time are within the Common Monetary Area and whose Lonmin share certificates are not restrictively endorsed in terms of the South African Exchange Control Regulations, any cash proceeds payable in respect of the sale of fractional entitlements, in the event any fractional entitlements were to arise, or otherwise pursuant to the terms of the Scheme will be settled directly with such Lonmin Shareholders in accordance with the terms of the Scheme; and

- Underlying SA Shareholders who hold an entitlement to Lonmin Shares in uncertificated form through the Strate system as at the JSE Record Date, whose registered addresses are within the Common Monetary Area and who have not been restrictively designated in terms of the South African Exchange Control Regulations, any cash proceeds payable in respect of the sale of fractional entitlements, in the event any fractional entitlements were to arise, or otherwise pursuant to the terms of the Scheme will be credited directly to the accounts nominated for the relevant Underlying SA Shareholders by their duly appointed CSDP or broker in accordance with the provisions of the custody agreement with such CSDP or broker (following the crediting of the account(s) of such CSDP or broker with the relevant cash amount by Strate, such CSDP or broker (as applicable), being the Lonmin Shareholder that holds such Lonmin Shares on behalf of such Underlying SA Shareholder).

#### ***Emigrants from the Common Monetary Area***

In the case of:

- Lonmin Shareholders registered on the South African Register as at the Scheme Record Time who are emigrants from the Common Monetary Area and whose Lonmin Shares form part of their remaining assets, whose Lonmin share certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, any cash proceeds payable in respect of the sale of fractional entitlements, in the event any fractional entitlements were to arise, or otherwise pursuant to the terms of the Scheme will be forwarded to the authorised dealer in foreign exchange in South Africa controlling the relevant Lonmin Shareholder's emigrant's capital account in terms of the South African Exchange Control Regulations; and
- Underlying SA Shareholders who hold an entitlement to Lonmin Shares in uncertificated form through the Strate system as at the JSE Record Date who are emigrants from the Common Monetary Area and whose Lonmin Shares form part of their remaining assets, any cash proceeds payable in respect of the sale of fractional entitlements, in the event any fractional entitlements were to arise, or otherwise pursuant to the terms of the Scheme will be credited directly by Strate on behalf of the CSDP or broker (as applicable) duly appointed by the relevant Underlying SA Shareholder, in its capacity as the Lonmin Shareholder that holds such Lonmin Shares on behalf of the Underlying SA Shareholder, to the emigrant's capital account of the Underlying SA Shareholders concerned nominated by their duly appointed CSDP or broker with their authorised dealer in foreign exchange in South Africa.

#### ***All other non-residents of the Common Monetary Area***

In the case of:

- Lonmin Shareholders who are registered on the South African Register as at the Scheme Record Time who are non-residents of the Common Monetary Area and whose registered addresses on the South African Register as at the Scheme Record Time are outside the Common Monetary Area, whose Lonmin share certificates have been restrictively endorsed in terms of the South African Exchange Control Regulations, any cash proceeds payable in respect of the sale of fractional entitlements, in the event any fractional entitlements were to arise, or otherwise pursuant to the terms of the Scheme will be settled directly with such Lonmin Shareholders in accordance with the terms of the Scheme; and
- Underlying SA Shareholders who hold an entitlement to Lonmin Shares in uncertificated form through the Strate system who are non-residents of the Common Monetary Area and whose registered addresses are outside the Common Monetary Area, any cash proceeds payable in respect of the sale of fractional entitlements, in the event any fractional entitlements were to arise, or otherwise pursuant to the terms of the Scheme will be credited directly to the accounts nominated for the relevant Underlying SA Shareholders by their duly appointed CSDP or broker in accordance with the provisions of the custody agreement with their CSDP or broker (following the crediting of the account(s) of such CSDP or broker (as applicable) with the relevant cash amount by Strate, such CSDP or broker (as applicable), being the Lonmin Shareholder that holds such Lonmin Shares on behalf of such Underlying SA Shareholder).

## **21. TAXATION**

Your attention is drawn to Part VIII of this document, which contains a summary of certain tax consequences of the implementation of the Scheme for Lonmin Shareholders who are resident (or, in

the case of individuals, domiciled and resident) in the United Kingdom or South Africa for tax purposes. The summary set out in Part VIII of this document is intended as a guide only and Lonmin Shareholders who are in any doubt about their taxation position, or who are subject to taxation in any jurisdiction other than the United Kingdom or South Africa, are strongly advised to consult an appropriate professional independent tax adviser.

## 22. ACTION TO BE TAKEN

### ***Voting at the Lonmin Shareholder Meetings***

The Scheme will require approval at the meeting of Lonmin Shareholders convened pursuant to an order of the Court to be held at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG. The Court Meeting will start at 11:30 a.m. (UK time) on 28 May 2019.

Implementation of the Scheme will also require the approval of the Special Resolution by Lonmin Shareholders at the Lonmin General Meeting to be held at the same venue at 11:45 a.m. (UK time) on 28 May 2019 (or as soon thereafter as the Court Meeting has concluded or been adjourned).

**Notices convening the Lonmin Shareholder Meetings are set out in Part XI and Part XII of this document.**

### ***Documents received***

#### **All Lonmin Shareholders**

Please check that you have received the following with this document:

- a blue Form of Proxy for use in respect of the Court Meeting on 28 May 2019; and
- a white Form of Proxy for use in respect of the Lonmin General Meeting on 28 May 2019.

Lonmin Shareholders who are Eligible Dealing Facility Participants will also find enclosed with this document terms and conditions for the Dealing Facility and a Free Share Dealing Service Form (and a “Customer Identification and Verification Documents” form, if applicable) together with a pre-paid envelope (for use within the United Kingdom or South Africa (as applicable) only). For further details of the Dealing Facility, see paragraph 2 of Part V of this document.

If you have not received the correct documents, please contact the relevant Lonmin Registrar, on the appropriate Shareholder Helpline, contact details for which are set out on pages 4 and 9 of this document.

#### **Underlying SA Shareholders who hold Lonmin Shares in uncertificated form through the Strate system with “own name” registration and without “own name” registration**

Please contact the CSDP or broker holding the Lonmin Shares on your behalf to provide your voting instructions. Voting instructions should be submitted to the relevant CSDP or broker in the manner, and within the time period, required by the CSDP or broker as stipulated by the terms of the custody agreement entered into between you and your CSDP or broker.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Lonmin Shareholder opinion. Lonmin Shareholders are therefore strongly urged to complete, sign and return both Forms of Proxy or appoint a proxy electronically as soon as possible.**

**Underlying SA Shareholders are strongly urged to provide voting instructions to their CSDP or broker (as applicable) in accordance with the terms of the custody agreement entered into with their CSDP or broker.**

**The completion and return of the relevant Form of Proxy or appointment of a proxy electronically in accordance with one of the methods set out below, will not prevent Lonmin Shareholders from attending and voting at the Court Meeting or the Lonmin General Meeting or at any adjournment thereof, if they wish and are entitled to do so.**

**Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration who wish to attend the Court Meeting or the Lonmin General Meeting in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholder and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so. Voting instructions or applications for letters of representation should be submitted to the relevant CSDP or broker within the time period required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between the Underlying SA Shareholder and their CSDP or broker. If the relevant CSDP or broker does not obtain voting instructions from Underlying SA Shareholders, or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the relevant Underlying SA Shareholder and the CSDP or broker.**

### ***Instructions***

#### **Lonmin Shareholders registered on the UK Register holding certificated Lonmin Shares**

##### **(i) Sending Forms of Proxy by post, by hand or by courier**

Lonmin Shareholders holding certificated Lonmin Shares on the UK Register should complete, sign and return both of their Forms of Proxy by posting them to the address specified thereon as soon as possible and in any event so as to be received by Equiniti, the UK Registrar, by no later than the following times and dates:

- blue Forms of Proxy for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- white Forms of Proxy for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

This will enable your votes to be counted at the Lonmin Shareholder Meetings in the event of your absence.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019. However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

##### **(ii) Online proxy appointment**

Lonmin Shareholders holding certificated Lonmin Shares registered on the UK Register can also register their proxy appointment electronically by logging onto the website of Equiniti, the UK Registrar, at [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the online instructions.

For an electronic proxy appointment to be valid, the appointment must be received by Equiniti, the UK Registrar, by no later than the following times and dates:

- for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

This will enable your votes to be counted at the Lonmin Shareholder Meetings in the event of your absence. Please note that separate appointments of a proxy or proxies need to be made for the Court Meeting and the Lonmin General Meeting.

Alternatively, the blue Forms of Proxy (but not the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at

11:30 a.m. (UK time) on 28 May 2019. However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

## **Lonmin Shareholders registered on the UK Register holding uncertificated Lonmin Shares through CREST**

### **(i) CREST electronic proxy appointment service**

Lonmin Shareholders who hold Lonmin Shares on the UK Register through CREST and who wish to appoint a proxy or proxies for the Lonmin Shareholder Meetings or any adjournment(s) by using the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual (available at [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (a "**CREST Proxy Instruction**"). The CREST Proxy Instruction, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, to be valid, be transmitted so as to be received by Equiniti (ID – RA19) no later than:

- for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host (in this context, Equiniti)) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the proxy through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Lonmin may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

### **(ii) Sending Forms of Proxy by post, by hand or by courier, or online proxy appointment**

Lonmin Shareholders who hold Lonmin Shares on the UK Register through CREST may, as an alternative to using the CREST electronic proxy appointment service, appoint a proxy by requesting, completing and returning a blue Form of Proxy and a white Form of Proxy, or do so electronically through the website of Equiniti, the UK Registrar, at [www.sharevote.co.uk](http://www.sharevote.co.uk), in each case, in accordance with the instructions set out above.

## **Lonmin Shareholders registered on the South African Register holding Lonmin Shares in certificated form**

### **(i) Sending Forms of Proxy by post, by hand or by courier**

Lonmin Shareholders registered on the South African Register holding Lonmin Shares in certificated form should complete, sign and return both of their Forms of Proxy in accordance with the instructions printed on them as soon as possible and in any event so as to be received by Link Market Services, the South African Registrar, by no later than the following times and dates:

- blue Forms of Proxy for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- white Forms of Proxy for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

Forms of Proxy are pre-addressed and may be posted without an envelope to Link Market Services using the freepost address included thereon. If you would prefer to send your Forms of Proxy to Link Market Services using an envelope, the envelope should be sent to the following freepost address: Link Market Services South Africa, Proprietary Limited, P.O. Box 4844, Johannesburg, 2000, South Africa.

This will enable your votes to be counted at the Court Meeting and the Lonmin General Meeting in the event of your absence.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019 (or any adjournment thereof). However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

### **(ii) Online proxy appointment**

Lonmin Shareholders registered on the South African Register holding Lonmin Shares in certificated form can also register the appointment of a proxy electronically by logging onto the website of Equiniti, the UK Registrar, at [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the online instructions.

For an electronic proxy appointment to be valid, the appointment must be received by Equiniti, the UK Registrar, by no later than the following times and dates:

- for the Court Meeting, 11:30 a.m. (UK time) on 23 May 2019;
- for the Lonmin General Meeting, 11:45 a.m. (UK time) on 23 May 2019; and
- in the case of an adjournment of either Lonmin Shareholder Meeting, 48 hours (excluding any part of a day that is a non-working day) before the time and date set for the adjourned Lonmin Shareholder Meeting.

This will enable your votes to be counted at the Lonmin Shareholder Meetings in the event of your absence. Please note that separate appointments of a proxy or proxies need to be made for the Court Meeting and the Lonmin General Meeting.

Alternatively, the blue Forms of Proxy (but **not** the white Forms of Proxy) may be handed to Equiniti, the UK Registrar, or the Chairman of the Court Meeting before the start of the Court Meeting at 11:30 a.m. (UK time) on 28 May 2019. However, in the case of the Lonmin General Meeting, unless the white Form of Proxy is returned by the specified time, it will be invalid.

## **Underlying SA Shareholders holding Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration**

Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration and who wish to



provide voting instructions for (but not attend in person) the Lonmin Shareholder Meetings or any adjournments thereof should, within the time period required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between the Underlying SA Shareholder and their CSDP or broker, provide their CSDP or broker with their voting instructions in accordance with the terms of such custody agreement. Any such Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with “own name” registration or without “own name” registration who wish to attend one or both of the Lonmin Shareholder Meetings in person should, in accordance with the timeframe and other terms of such custody agreement, contact their CSDP or broker to obtain a letter of representation to enable them to do so.

If the relevant CSDP or broker does not obtain voting instructions from such Underlying SA Shareholders or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the Underlying SA Shareholder and the CSDP or broker.

### **Other indirect Lonmin Shareholders**

If you hold Lonmin Shares indirectly (other than if you are an Underlying SA Shareholder holding Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration, in which case, please refer to the paragraph above), you must rely on the procedures of the bank, broker, financial institution or share plan administrator through which you hold Lonmin Shares. You should contact such intermediary for instructions on how you can instruct that intermediary to vote on your behalf at the Lonmin Shareholder Meetings and the date by which you must provide such instructions to the intermediary.

### **Multiple proxy appointments**

Lonmin Shareholders are entitled to appoint a proxy in respect of some or all of their Lonmin Shares and are also entitled to appoint more than one proxy (whether in respect of some or all of their Lonmin Shares).

A space has been included in the Forms of Proxy to allow Lonmin Shareholders to specify the number of Lonmin Shares in respect of which that proxy is appointed. Lonmin Shareholders who return a Form of Proxy duly executed but leave this space blank will be taken to have appointed the proxy in respect of all of their Lonmin Shares.

If you are a Lonmin Shareholder and wish to appoint multiple proxies in connection with the Court Meeting or the Lonmin General Meeting, you may:

- (a) photocopy the relevant Form(s) of Proxy, fill in each copy in respect of different shares and send the multiple forms together to the relevant Lonmin Registrar at the relevant address set out above; or
- (b) call the relevant Lonmin Registrar on the appropriate Shareholder Helpline, being Equiniti, the UK Registrar, on 0333 207 5963 (from within the United Kingdom) if you are a Lonmin Shareholder registered on the UK Register or Link Market Services, the South African Registrar, on 0861 472 644 (from within South Africa) if you are a Lonmin Shareholder holding Lonmin Shares in certificated form on the South African Register, who will then issue you with multiple Forms of Proxy.

In each case, please ensure that all of the multiple Forms of Proxy in respect of one registered holding are sent in the same envelope if possible.

### **Overseas Shareholders**

Please refer to paragraph 15 of this Part II if: (i) you have a registered address in or are resident in, ordinarily resident in, or a citizen of, a jurisdiction outside the United Kingdom or South Africa; or (ii) you have a registered address in or are resident in, ordinarily resident in, or a citizen of, the United States. The implications of the Scheme may be affected by the laws of the relevant jurisdiction and such Lonmin Shareholders should inform themselves about and observe all applicable legal requirements.

## SHAREHOLDER HELPLINES

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please call the relevant Lonmin Registrar on the appropriate Shareholder Helpline as follows:

- Equiniti, the UK Registrar, on 0333 207 5963 for Lonmin Shareholders registered on the UK Register calling from within the United Kingdom (or +44 121 415 0088 for Lonmin Shareholders registered on the UK Register calling from outside the United Kingdom). Lines are open from 8:30 a.m. to 5:30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales).
- Link Market Services, the South African Registrar, on 0861 472 644 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from within South Africa (or (+27) 011 029 0112 for Lonmin Shareholders registered on the South African Register who hold Lonmin Shares in certificated form calling from outside South Africa). Lines are open from 8:00 a.m. to 4:30 p.m. (South African standard time) Monday to Friday (except South African public holidays).

Calls to the Shareholder Helplines from outside the United Kingdom or South Africa (as applicable) will be charged at international rates. Different charges may apply to calls made from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes.

Please note that Shareholder Helplines cannot provide legal, tax or financial advice or any advice on the merits of the Scheme or the Transaction.

Underlying SA Shareholders holding Lonmin Shares in uncertificated form through the Strate system with “own name” registration or without “own name” registration and who have any questions must contact their respective CSDPs or brokers holding Lonmin Shares on their behalf.

### 23. FURTHER INFORMATION

The terms of the Scheme are set out in full in Part IV of this document. Your attention is also drawn to the further information contained in this document and, in particular, to Part II, Part III, Part VIII and Part IX of this document and the expected timetable of principal events set out on pages 19 to 21 of this document, all of which form part of this Explanatory Statement.

Yours sincerely,

**Gleacher Shacklock, J.P. Morgan Securities plc, Moshe Capital**

## PART III

### CONDITIONS TO THE SCHEME AND THE TRANSACTION

#### Part A: Conditions of the Scheme and the Transaction

1. The Transaction is conditional upon the Scheme becoming unconditional and Effective, subject to the Takeover Code, by not later than the Longstop Date or such later date (if any) as Sibanye-Stillwater and Lonmin may, with the consent of the Panel, agree and, if required, the Court may allow.
2. The Scheme will be subject to the following conditions:
  - 2.1
    - (i) its approval at the Court Meeting (or any adjournment thereof) by a majority in number of the Lonmin Shareholders (or the relevant class or classes thereof, if applicable) who are on the Lonmin Register of Members at the Voting Record Time and who are present and vote, whether in person or by proxy, and who represent not less than 75 per cent. in value of the Lonmin Shares voted by those Lonmin Shareholders; and
    - (ii) such Court Meeting being held on or before 19 June 2019 (or such later date as may be agreed by Sibanye-Stillwater and Lonmin and, if required, the Court may allow);
  - 2.2
    - (i) all resolutions in connection with or required to approve and implement the Scheme being duly passed by Lonmin Shareholders representing the requisite majority or majorities of votes cast at the Lonmin General Meeting (or at any adjournment of that meeting); and
    - (ii) such Lonmin General Meeting being held on or before 19 June 2019 (or such later date as may be agreed by Sibanye-Stillwater and Lonmin and, if required, the Court may allow);
  - 2.3
    - (i) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Lonmin and Sibanye-Stillwater) and the delivery of a copy of the Scheme Court Order to the Registrar of Companies; and
    - (ii) the Court hearing to sanction the Scheme being held on or before 29 June 2019 (or such later date as may be agreed by Sibanye-Stillwater and Lonmin and, if required, the Court may allow).
3. In addition, subject as stated in Part B of this Part III and to the requirements of the Panel, the Transaction will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective (including delivery of the Scheme Court Order to the Registrar of Companies) will not be taken unless such Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived in writing:

#### Approval of Sibanye-Stillwater Shareholders

- (a) an ordinary resolution to approve the allotment and issue of the New Sibanye-Stillwater Shares in connection with the Transaction being duly passed by Sibanye-Stillwater Shareholders representing more than 50 per cent. of the voting rights exercised on the ordinary resolution at the Sibanye-Stillwater Shareholder Meeting (or at any adjournment of that meeting);

#### Approval by the Johannesburg Stock Exchange of Admission

- (b) approval or approval in principle from the Johannesburg Stock Exchange in accordance with the terms of the JSE Listings Requirements in respect of:
  - (i) the Admission of the New Sibanye-Stillwater Shares to the Main Board of the Johannesburg Stock Exchange; and

- (ii) the Admission of the New Sibanye-Stillwater Shares to trading becoming effective in accordance with the JSE Listings Requirements;

#### **Competition and Markets Authority clearance**

- (c) insofar as the Transaction creates a relevant merger situation within the meaning of Section 23 of the Enterprise Act 2002 (as amended), the CMA indicating, on terms satisfactory to Sibanye-Stillwater (in its sole discretion), that it does not intend to make a CMA Phase 2 Reference of the Transaction or any part thereof or of any matter arising from or relating to the Transaction;

#### **European Commission clearance**

- (d) insofar as the Transaction falls within the scope of Council Regulation (EC) 139/2004 (the “**Regulation**”), including (but not limited to) by way of a decision by the European Commission to examine the Transaction pursuant to Article 22(3) of the Regulation, the European Commission taking a decision, on terms satisfactory to Sibanye-Stillwater (in its sole discretion), that it shall not initiate proceedings under Article 6(1)(c) of the Regulation in relation to the Transaction or any part thereof or any matter arising from or relating to the Transaction;

#### **South African clearances**

- (e)
  - (i) all and any approvals for the Transaction that may be required in terms of the South African Competition Act are granted by the South African Competition Authorities (being the South African Competition Tribunal or the Competition Appeal Court, as the case may be) under the South African Competition Act, 89 of 1998 (as amended); and
  - (ii) the Financial Surveillance Department of the South African Reserve Bank having accorded exchange control approval for the Transaction, in terms of the Exchange Control Regulations, 1961 (as amended) issued in terms of the South African Currency and Exchanges Act, 1933,

provided that such approval shall either be:

- (I) unconditional or unqualified; or
- (II) on such conditions or terms as are satisfactory to Sibanye-Stillwater (in its sole discretion);

#### **No cancellation of Lonmin Mining Rights**

- (f) there is no cancellation of any prospecting right or mining right held by a member of the Wider Lonmin Group pursuant to Section 47 of the MPRDA (a “**Lonmin Mining Right**”) where such cancellation is material in the context of the Wider Lonmin Group taken as a whole, and, if such a cancellation has occurred it has not been: (i) withdrawn, lifted or revoked in writing by the Minister; or (ii) set aside, nullified or otherwise suspended by the order of a court of competent jurisdiction, within 15 Business Days of such cancellation (or, if earlier, by the date scheduled for the Court hearing to approve the Scheme);

#### **Other notifications, waiting periods and Authorisations**

- (g) other than in relation to the matters referred to in Conditions 3(a) to 3(f) of this Part A of this Part III, (and for the avoidance of doubt, other than in relation to antitrust matters) all material notifications, filings or applications which are necessary or considered appropriate or desirable by Sibanye-Stillwater (acting reasonably) having been made in connection with the Transaction and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated or waived (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Transaction and all

Authorisations which are deemed reasonably necessary or appropriate by Sibanye-Stillwater in any jurisdiction for or in respect of the Transaction and, except pursuant to Chapter 3 of Part 28 of the UK Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Lonmin or any other member of the Wider Lonmin Group by any member of the Wider Sibanye-Stillwater Group having been obtained in terms and in a form reasonably satisfactory to Sibanye-Stillwater, acting reasonably, from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Lonmin Group or the Wider Sibanye-Stillwater Group has entered into contractual arrangements and all such Authorisations reasonably necessary or appropriate to carry on the business of any member of the Wider Lonmin Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Transaction becomes otherwise effective and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

### **General antitrust and regulatory**

- (h) other than in relation to the matters referred to in Condition 3(c) to 3(e) of this Part A of this Part III, no antitrust regulator or Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, inquiry or reference (and, in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might:
  - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Sibanye-Stillwater Group or by any member of the Wider Lonmin Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
  - (ii) except pursuant to Chapter 3 of Part 28 of the UK Companies Act, require any member of the Wider Sibanye-Stillwater Group or the Wider Lonmin Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Lonmin Group or any asset owned by any Third Party (other than in the implementation of the Transaction);
  - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Sibanye-Stillwater Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Lonmin or on the ability of any member of the Wider Lonmin Group or any member of the Wider Sibanye-Stillwater Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Lonmin Group;
  - (iv) otherwise adversely affect any or all of the business, assets, profits or prospects of any member of the Wider Lonmin Group or any member of the Wider Sibanye-Stillwater Group;
  - (v) result in any member of the Wider Lonmin Group or any member of the Wider Sibanye-Stillwater Group ceasing to be able to carry on business under any name under which it presently carries on business;
  - (vi) make the Transaction, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Lonmin by any member of the Wider Sibanye-Stillwater Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly materially prevent or prohibit, restrict, restrain, or delay or otherwise to a material extent or otherwise materially interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Transaction or the acquisition or proposed acquisition of any

shares or other securities in, or control or management of, Lonmin by any member of the Wider Sibanye-Stillwater Group;

- (vii) require, prevent or materially delay a divestiture by any member of the Wider Sibanye-Stillwater Group of any shares or other securities (or the equivalent) in any member of the Wider Lonmin Group or any member of the Wider Sibanye-Stillwater Group; or
- (viii) impose any material limitation on the ability of any member of the Wider Sibanye-Stillwater Group or any member of the Wider Lonmin Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Sibanye-Stillwater Group and/or the Wider Lonmin Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, inquiry or reference or take any other step under the laws of any jurisdiction in respect of the Transaction or the acquisition or proposed acquisition of any Lonmin Shares or otherwise intervene having expired, lapsed or been terminated;

**Certain matters arising as a result of any arrangement, agreement, etc.**

- (i) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Lonmin Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Transaction or the acquisition or the proposed acquisition by any member of the Wider Sibanye-Stillwater Group of any shares or other securities (or the equivalent) in Lonmin or because of a change in the control or management of any member of the Wider Lonmin Group or otherwise, would or might reasonably be expected to result in (in any case to an extent which is or would be material in the context of the Wider Lonmin Group taken as a whole):
  - (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Lonmin Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Lonmin Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
  - (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider Lonmin Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
  - (iv) any liability of any member of the Wider Lonmin Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
  - (v) the rights, liabilities, obligations, interests or business of any member of the Wider Lonmin Group or any member of the Wider Sibanye-Stillwater Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Lonmin Group or any member of the Wider Sibanye-Stillwater Group in or with any other person or body or firm or company (or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
  - (vi) any member of the Wider Lonmin Group ceasing to be able to carry on business under any name under which it presently carries on business;
  - (vii) the value of, or the financial or trading position or prospects of, any member of the Wider Lonmin Group being prejudiced or adversely affected; or

- (viii) the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Lonmin Group other than trade creditors or other liabilities incurred in the ordinary course of business,

and, except as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Lonmin Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might result in any of the events or circumstances as are referred to in Conditions (i) to (viii) above (in each case to an extent which is material in the context of the Wider Lonmin Group taken as a whole);

#### **Certain events occurring since 30 September 2016**

- (j) except as Disclosed, no member of the Wider Lonmin Group having since 30 September 2016:
  - (i) issued or agreed to issue, or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Lonmin Shares out of treasury (except, where relevant, as between Lonmin and wholly owned subsidiaries of Lonmin or between the wholly owned subsidiaries of Lonmin and except for the issue or transfer out of treasury of Lonmin Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the Lonmin Share Plans);
  - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or distribution (whether payable in cash or otherwise) or other return of value other than dividends (or distributions (whether payable in cash or otherwise) or other return of value) lawfully paid or made by any wholly owned subsidiary of Lonmin to Lonmin or any of its wholly owned subsidiaries;
  - (iii) other than pursuant to the Transaction (and except for transactions between Lonmin and its wholly owned subsidiaries or between the wholly owned subsidiaries of Lonmin and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider Lonmin Group taken as a whole;
  - (iv) (except for transactions between Lonmin and its wholly owned subsidiaries or between the wholly owned subsidiaries of Lonmin or in respect of transactions in the ordinary course of business) disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
  - (v) (except for transactions between Lonmin and its wholly owned subsidiaries or between the wholly owned subsidiaries of Lonmin or in respect of transactions in the ordinary course of business) issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which is material in the context of the Wider Lonmin Group taken as a whole;
  - (vi) except in the ordinary course of business, entered into or materially varied or authorised, proposed or announced its intention to enter into or materially vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of a nature or magnitude which is reasonably likely to be materially restrictive on the business of any member of the Wider Lonmin Group and which, taken together with any other such

transaction, arrangement, agreement, contract or commitment, is material in the context of the Wider Lonmin Group taken as a whole;

- (vii) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider Lonmin Group, save as agreed in writing by Sibanye-Stillwater;
- (viii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Lonmin Group which is material in the context of the Wider Lonmin Group taken as a whole, save as agreed in writing by Sibanye-Stillwater;
- (ix) purchased, redeemed, repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph 3(j)(i) above, made any other change to any part of its share capital, save as agreed in writing by Sibanye-Stillwater;
- (x) waived, compromised or settled any claim which is material in the context of the Wider Lonmin Group taken as a whole;
- (xi) had any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Lonmin Group being or becoming repayable, or capable of being declared repayable, by any member of the Wider Lonmin Group immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member of the Wider Lonmin Group to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited, in each case to an extent which is or would be material in the context of the Wider Lonmin Group taken as a whole;
- (xii) been subject to the enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Lonmin Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable, in each case to an extent which is or would be material in the context of the Wider Lonmin Group taken as a whole;
- (xiii) terminated or varied the terms of any agreement or arrangement between any member of the Wider Lonmin Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Lonmin Group taken as a whole;
- (xiv) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xv) made or agreed or consented to any change to:
  - (I) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Lonmin Group for its directors, employees or their dependants;
  - (II) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - (III) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (IV) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to,to an extent which is in any such case material in the context of the Wider Lonmin Group taken as a whole;
- (xvi) been unable, or admitted in writing that it is unable, to pay its debts as and when they fall due or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Lonmin Group taken as a whole;



- (xvii) (other than in respect of any member of the Wider Lonmin Group that was dormant and solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against any member of the Wider Lonmin Group in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee, business rescue practitioner or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xviii) (except for transactions between Lonmin and its wholly owned subsidiaries or between its wholly owned subsidiaries, or in the ordinary course of business) made, authorised, proposed or announced an intention to propose any change in its loan capital;
- (xix) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities; or
- (xx) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 3(j);

**No adverse change, litigation, regulatory inquiry or similar**

- (k) except as Disclosed, since 30 September 2016 there having been:
  - (i) no adverse change and no circumstance having arisen which would or might be expected to result in any adverse change in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Lonmin Group which is material in the context of the Wider Lonmin Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Lonmin Group or to which any member of the Wider Lonmin Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider Lonmin Group, in each case which might reasonably be expected to have a material adverse effect on the Wider Lonmin Group taken as a whole;
  - (iii) no inquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Lonmin Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Lonmin Group, in each case which might reasonably be expected to have a material adverse effect on the Wider Lonmin Group taken as a whole;
  - (iv) no contingent or other liability having arisen or become apparent to Sibanye-Stillwater or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider Lonmin Group to an extent which is material in the context of the Wider Lonmin Group taken as a whole; or
  - (v) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Lonmin Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider Lonmin Group taken as a whole;

**No discovery of certain matters regarding information, liabilities and environmental issues**

- (l) except as Disclosed, Sibanye-Stillwater not having discovered:
  - (i) that any financial, business or other information concerning the Wider Lonmin Group publicly announced prior to this date of the Announcement or disclosed at any time to any

member of the Wider Sibanye-Stillwater Group by or on behalf of any member of the Wider Lonmin Group prior to the date of the Announcement is misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, in any such case to a material extent in the context of the Wider Lonmin Group taken as a whole;

- (ii) that any member of the Wider Lonmin Group or any partnership, company or other entity in which any member of the Wider Lonmin Group has a significant economic interest and which is not a subsidiary undertaking of Lonmin is subject to any liability, contingent or otherwise and which is material in the context of the Wider Lonmin Group taken as a whole;
- (iii) that any past or present member of the Wider Lonmin Group has not complied in any material respect with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Lonmin Group which is material in the context of the Wider Lonmin Group taken as a whole;
- (iv) that there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation) would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider Lonmin Group which is material in the context of the Wider Lonmin Group taken as a whole;
- (v) that there is or is reasonably likely to be any material obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Lonmin Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto which is material in the context of the Wider Lonmin Group taken as a whole; or
- (vi) that circumstances exist (whether as a result of the Transaction or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider Lonmin Group would be likely to be required to institute), an environmental audit or taking any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider Lonmin Group (or on its behalf) or by any person for which a member of the Wider Lonmin Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, which is material in the context of the Wider Lonmin Group taken as a whole;

#### **Anti-corruption and sanctions**

- (vii) any past or present member, director, officer or employee of the Wider Lonmin Group or any person that performs or has performed services for or on behalf of any such company is engaging in or has, at any time during the course of such person's employment with, or performance of services for or on behalf of, any member of the Wider Lonmin Group, engaged in any activity, practice or conduct (or omitted to take any action) which would constitute an offence under the UK Bribery Act 2010, the US Foreign

Corrupt Practices Act of 1977, as amended, or any other applicable anti-corruption legislation; or

- (viii) any past or present member, director, officer or employee of the Wider Lonmin Group or any person that performs or has performed services for or on behalf of such company is engaging in or has at any time engaged in any act of bribery or has paid or agreed to pay any bribe, including any "inducement fee" given or agreed to give any similar gift or benefit or paid or agreed to pay to a concealed bank account or fund to or for the account of, any customer, supplier, governmental official or employee, representative of a political party, or other person for the purpose of obtaining or retaining business or otherwise engaged in any activity, done such things (or omitted to do such things) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977, as amended, or any other anti-corruption legislation applicable to the Wider Lonmin Group, in each case, which is material in the context of the Lonmin Group as a whole; or

#### **No criminal property**

- (ix) any asset of any member of the Wider Lonmin Group constitutes criminal property as defined by Section 340(3) of the UK Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

#### **Part B: Certain further terms of the Transaction**

1. Subject to the requirements of the Panel, Sibanye-Stillwater reserves the right to waive:
  - (i) any of the Conditions set out in Condition 2 of Part A of this Part III for the timing of the Court Meeting, the Lonmin General Meeting and the Court hearing to sanction the Scheme and the effectiveness of the Scheme. If any such deadline is not met, Sibanye-Stillwater will make an announcement by 8:00 a.m. (UK time) on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Lonmin to extend the deadline in relation to the relevant Condition; and
  - (ii) in whole or in part, all or any of the Conditions 3(c) to 3(l) (inclusive) of Part A of this Part III.
2. If Sibanye-Stillwater is required by the Panel to make an offer for Lonmin Shares under the provisions of Rule 9 of the Takeover Code, Sibanye-Stillwater may make such alterations to any of the above Conditions and terms of the Transaction as are necessary to comply with the provisions of that Rule.
3. The Transaction will lapse if:
  - (i) insofar as the Transaction or any matter arising from or relating to the Scheme or Transaction constitutes a concentration with a Community dimension within the scope of the Regulation, or the CMA refers the Transaction to the European Commission pursuant to Article 22(1) of the Regulation and the European Commission decides to examine the Transaction pursuant to Article 22(3) of the Regulation, the European Commission initiates proceedings under Article 6(1)(c) of the Regulation; or
  - (ii) insofar as the Transaction or any matter arising from the Scheme or Transaction does not constitute a concentration with a Community dimension within the scope of the Regulation, the Scheme or Transaction or any matter arising from or relating to the Transaction becomes subject to a CMA Phase 2 Reference,in each case, before the date of the Court Meeting.
4. Sibanye-Stillwater will be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 3(c) to 3(l) (inclusive) of Part A of this Part III by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Transaction may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
5. The Lonmin Shares acquired under the Transaction will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or

accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, on or after the Effective Date.

6. If, prior to the Effective Date, any dividend, distribution or other return of value is proposed, declared, paid or made or becomes payable by Lonmin and with a record date on or before the Effective Date, Sibanye-Stillwater reserves the right (without prejudice to any right Sibanye-Stillwater may have, with the consent of the Panel, to invoke Condition 3(j)(ii) of Part A of this Part III) to adjust the Revised Exchange Ratio downwards to reflect the aggregate amount of such dividend, distribution or other return of value. In such circumstances, Lonmin Shareholders would be entitled to retain any such dividend or distribution or other return of capital declared, made or paid.

If any such dividend, distribution or other return of value is paid or made before the Effective Date and Sibanye-Stillwater exercises its rights under this paragraph 6 to adjust the Revised Exchange Ratio, any reference in this document to the Revised Exchange Ratio will be deemed to be a reference to the Revised Exchange Ratio as so adjusted.

To the extent that such a dividend, distribution or other return of value has been declared or announced but not paid or made or is not payable by reference to a record date prior to the Effective Date or (i) will be transferred pursuant to the Transaction on a basis which entitles Sibanye-Stillwater to receive the dividend or distribution and to retain it; or (ii) cancelled, the Revised Exchange Ratio will not be subject to any adjustment in accordance with this paragraph 6.

Sibanye-Stillwater also reserves the right to adjust the Revised Exchange Ratio in such circumstances as are, and by such amount as is, permitted by the Panel.

Any exercise by Sibanye-Stillwater of its rights referred to in this paragraph 6 of this Part B of this Part III will be the subject of an announcement and, for the avoidance of doubt, will not be regarded as constituting any revision or variation of the Transaction.

7. If Sibanye-Stillwater issues new Sibanye-Stillwater Shares on a pre-emptive basis at a discount greater than 10 per cent. to the closing price of a Sibanye-Stillwater Share on the day immediately preceding the announcement of the share issue, unless Sibanye-Stillwater and Lonmin otherwise agree, the Revised Exchange Ratio shall be adjusted to ensure that Lonmin Shareholders are not disadvantaged by the dilution arising from such pre-emptive issue. This adjustment shall be calculated by reference to the bonus factor as reflected in the calculation of the TERP. TERP, the theoretical price of a single share immediately following a rights issue, is the weighted average price of the existing and new Sibanye-Stillwater shares, and is calculated as the market value of the existing Sibanye-Stillwater shares prior to the share issue plus the cash raised from the share issue, divided by the total number of Sibanye-Stillwater shares following the issue. TERP is defined with reference to the closing price of a Sibanye-Stillwater share on the Johannesburg Stock Exchange on the day immediately preceding the announcement of the share issue. If Sibanye-Stillwater proposes any non-pre-emptive allotment of Sibanye-Stillwater Shares at a discount of greater than 10 per cent. to the 30 day VWAP of a Sibanye-Stillwater Share, it intends to consult with Lonmin to discuss whether or not it is appropriate to make an adjustment to the Revised Exchange Ratio.
8. Sibanye-Stillwater reserves the right to elect (subject to the consent of the Panel) to implement the acquisition of the Lonmin Shares by way of a takeover offer as an alternative to the Scheme. In such event, the acquisition will be implemented on substantially the same terms as those which would apply to the Scheme (subject to appropriate amendments, including an acceptance condition set at 90 per cent. of the shares to which such offer relates or such lesser percentage, being more than 50 per cent., as Sibanye-Stillwater may decide or the Panel may require).
9. The availability of the Transaction to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements. The New Sibanye-Stillwater Shares to be issued pursuant to the Transaction have not been, and will not be, registered under the US Securities Act nor under any of the relevant securities laws of any Restricted Jurisdiction. Accordingly, the New Sibanye-Stillwater Shares may not be offered, sold or delivered, directly or indirectly, in the United States or any Restricted Jurisdiction except pursuant to exemptions from applicable requirements of any such jurisdiction.

10. The Transaction is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.
11. The Transaction is governed by the laws of England and Wales and is subject to the jurisdiction of the English Courts and to the Conditions and further terms set out in this Part III. The Transaction is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the Financial Conduct Authority and the Johannesburg Stock Exchange.
12. The New Sibanye-Stillwater Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Sibanye-Stillwater Shares.
13. Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.
14. Under Rule 13.5 of the Takeover Code, Sibanye-Stillwater may not invoke a Condition to the acquisition so as to cause the acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Sibanye-Stillwater in the context of the acquisition. The Conditions contained in paragraphs 1, 2 and 3(a), 3(b) 3(c) and 3(d) of Part A of this Part III are not subject to this provision of the Takeover Code.
15. Under Rule 13.6 of the Takeover Code, Lonmin may not invoke, or cause to permit Sibanye-Stillwater to invoke, a Condition unless the circumstances which give rise to the right to invoke the Condition are of material significance to Lonmin Shareholders in the context of the Transaction.

**PART IV**

**SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)**

**CR-2018-010176**

**IN THE MATTER OF LONMIN PUBLIC LIMITED COMPANY**

**and**

**IN THE MATTER OF THE COMPANIES ACT 2006**

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**SCHEME OF ARRANGEMENT**

(under Part 26 of the Companies Act 2006)

**between**

**LONMIN PUBLIC LIMITED COMPANY**

**and**

**THE HOLDERS OF SCHEME SHARES**

(as hereinafter defined)

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**Preliminary**

(A) In this Scheme the following expressions have the meanings stated, unless they are inconsistent within the subject or context:

**“2015 Deferred Shares”** means the non-voting 2015 deferred shares of US\$0.999999 each in the capital of the Company.

**“Admission Date”** means the date on which the New Sibanye-Stillwater Shares are admitted to listing and trading on the Main Board of the Johannesburg Stock Exchange.

**“Business Day”** means any day (other than a Saturday, Sunday or public holiday) on which clearing banks in London and Johannesburg are generally open for the transaction of normal banking business.

**“certificated”** or **“certificated form”** means not in uncertificated form (that is, not in CREST or Strate).

**“Companies Act”** means the Companies Act 2006, as amended.

**“Company”** means Lonmin public limited company, a public company incorporated in England and Wales with registered number 00103002 and whose registered office is at Connaught House 5<sup>th</sup> Floor, 1-3 Mount Street, London, W1K 3NB, United Kingdom.

**“Computershare Nominee”** means Computershare Nominees Proprietary Limited of Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa (PO Box 61051, Marshalltown 2107, South Africa).

**“Court”** means the High Court of Justice in England and Wales.

**“Court Meeting”** means the meeting of the Scheme Shareholders convened pursuant to an order of the Court under the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof.

**“CREST”** means the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Regulations.

“**CSDP**” means a Central Securities Depository Participant, a participant as defined in section 1 of the South African Financial Markets Act, 19 of 2012 (as amended).

“**Deferred Shares**” means the non-voting deferred shares of £1.00 each in the capital of the Company.

“**Effective Date**” means the date on which this Scheme becomes effective in accordance with its terms.

“**Euroclear**” means Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738.

“**Holder(s)**” means registered holder(s), including any person(s) entitled by transmission.

“**Johannesburg Stock Exchange**” means the securities exchange operated by JSE Limited (Registration No. 2005/022939/06), a public company trading as the “Johannesburg Stock Exchange”, duly registered and incorporated under the laws of South Africa and licensed as a securities exchange under the South African Financial Markets Act, 2012.

“**JSE Listings Requirements**” means the listing requirements of the Johannesburg Stock Exchange published under the South African Financial Markets Act 2012, as amended from time to time.

“**JSE Record Date**” means 5:00 p.m. (South African standard time) on 12 June 2019.

“**Last Practicable Date**” means 23 April 2019, being the last practicable date prior to the publication of this Scheme.

“**Longstop Date**” means 30 June 2019 or such later date as may be agreed in writing by Sibanye-Stillwater and the Company (with the Panel’s consent and as the Court may approve (if such approval(s) are required)).

“**New Sibanye-Stillwater Shares**” means the new Sibanye-Stillwater Shares proposed to be allotted and issued to Scheme Shareholders pursuant to the Scheme.

“**Panel**” means the UK Panel on Takeovers and Mergers.

“**Register of Members**” means the UK Register and the South African Register.

“**Registrar of Companies**” means the Registrar of Companies of England and Wales.

“**Regulations**” means the Uncertified Securities Regulations 2001 (SI 2001/3755) (as amended).

“**Scheme**” means this scheme of arrangement under Part 26 of the Companies Act between the Company and the Scheme Shareholders, with or subject to any revision, variation, addition or condition approved or imposed by the Court and agreed to in writing by the Company and Sibanye-Stillwater.

“**Scheme Circular**” means the circular to the Voting Ordinary Shareholders published by the Company in connection with the Scheme.

“**Scheme Court Hearing**” means the hearing by the Court of the application to sanction the Scheme.

“**Scheme Court Order**” means the order of the Court sanctioning the scheme under section 899 of the Companies Act.

“**Scheme Record Time**” means 6:00 p.m. on the Effective Date.

“**Scheme Shareholders**” means the Holders of Scheme Shares, and a “**Scheme Shareholder**” shall mean any one of those Scheme Shareholders.

“**Scheme Shares**” means the Voting Ordinary Shares:

- (i) in issue at the date of the Scheme Circular;
- (ii) (if any) issued after the date of the Scheme Circular but before the Scheme Voting Record Time; and
- (iii) (if any) issued at or after the Scheme Voting Record Time but prior to the Scheme Record Time on terms that the original or any subsequent Holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent Holders thereof are, or have agreed in writing to be, bound by the Scheme,

excluding, with respect to references in this Scheme to voting at the Court Meeting, any Scheme Shares referred to in paragraph (iii) above.

**“Scheme Voting Record Time”** means 6:30 p.m. on the day that is two Business Days prior to the date of the Court Meeting or any adjournment thereof (as the case may be).

**“Sibanye-Stillwater”** means Sibanye Gold Limited, trading as Sibanye-Stillwater.

**“Sibanye-Stillwater Group”** means Sibanye-Stillwater and any subsidiary undertakings from time to time.

**“Sibanye-Stillwater Shares”** means the ordinary shares of no par value in the issued capital of Sibanye-Stillwater, and **“Sibanye-Stillwater Share”** shall mean any one of them.

**“South African Rand”** or **“ZAR”** means the lawful currency of South Africa.

**“South African Register”** means the branch register of members (within the meaning of section 129 of the Companies Act) kept and maintained on behalf of the Company by the South African Registrar, and, for the avoidance of doubt, does not include any sub-register of persons holding a beneficial interest in Lonmin Shares as maintained within the Strate system.

**“South African Registrar”** means Link Market Services South Africa Proprietary Limited of 13<sup>th</sup> Floor, 19 Ameshoff Street, 2001, Braamfontein, South Africa, the registrars of the Company in South Africa.

**“Strate”** means the settlement and clearing system used by the Johannesburg Stock Exchange, managed by Strate Proprietary Limited (Registration Number 1998/022242/07), a limited liability company duly incorporated and registered under the laws of South Africa.

**“Strate Nominee”** means PLC Nominees Proprietary Limited, incorporated and registered in South Africa with registration number 1998/002235/07, a company indirectly wholly owned by Strate.

**“Takeover Code”** means the City Code on Takeovers and Mergers.

**“UK Register”** means the principal register of members (within the meaning of section 113 of the Companies Act) of the Company kept and maintained on behalf of the Company by the UK Registrar.

**“UK Registrar”** means Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom, the registrars of the Company in the United Kingdom.

**“uncertificated”** or **“in uncertificated form”** means in relation to a share or other security, a share or other security title to which is recorded on the relevant register of the share or security as being held in uncertificated form in CREST or Strate, as applicable, and title to which may be transferred by means of CREST or Strate, as applicable.

**“Underlying SA Shareholder”** means the holder of a beneficial entitlement to Scheme Shares held in uncertificated form through the Strate system and with respect to whom the registered holder of such Scheme Shares is the Strate Nominee.

**“Voting Ordinary Shareholders”** means holders of Voting Ordinary Shares.

**“Voting Ordinary Shares”** means the existing unconditionally allotted or issued and fully paid voting ordinary shares of US\$0.0001 cents each in the capital of the Company.

(B) References to:

- (i) clauses are to clauses of this Scheme;
- (ii) time are to UK time (unless otherwise stated);
- (iii) **“South African Rand”** and **“ZAR”** are to the lawful currency of South Africa;
- (iv) **“Sterling”** and **“penny”** are to the lawful currency of the United Kingdom; and
- (v) **“US\$”** is to the lawful currency of the United States.

(C) The issued share capital of the Company is US\$586,934,591.52 plus £50,000.00 divided into:

- (i) 282,784,288 Voting Ordinary Shares,



- (ii) 586,906,900 2015 Deferred Shares; and
- (iii) 50,000 Deferred Shares,

all of which, at the close of business on 23 April 2019 (being the Last Practicable Date), are credited as fully paid. Such Deferred Shares and 2015 Deferred Shares do not entitle the holder thereof to receive notice of or attend or vote at any general meeting of the Company. As at the close of business on 23 April 2019 (being the Last Practicable Date), the Company held no shares in treasury.

- (D) The issued share capital of Sibanye-Stillwater is 2,379,607,141 divided into 2,379,607,141 ordinary shares of no par value all of which, at the close of business on 23 April 2019 (being the Last Practicable Date), are credited as fully paid.
- (E) None of Sibanye-Stillwater or any member of the Sibanye-Stillwater Group is the Holder of, or beneficially owns, any Voting Ordinary Shares as at the close of business on 23 April 2019 (being the Last Practicable Date).
- (F) The purpose of the Scheme is to provide for the transfer of the Scheme Shares in consideration for the allotment of the New Sibanye-Stillwater Shares to the Holders of Scheme Shares.
- (G) Sibanye-Stillwater has agreed to appear by Counsel at the Scheme Court Hearing and to consent thereto and to undertake to the Court to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme.

## **1. TRANSFER OF SCHEME SHARES**

- 1.1 On the Effective Date, Sibanye-Stillwater (and/or its nominee(s)) shall acquire all of the Scheme Shares, fully paid-up with full title guarantee, and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third-party rights or other interests of any nature whatsoever and together with all rights now and thereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, by the Company by reference to a record date on or after the Effective Date.
- 1.2 For the purposes of such acquisition, the Scheme Shares shall be transferred to Sibanye-Stillwater (and/or its nominee(s)) and such transfer shall be effected by means of a form of transfer or other instrument or instruction for transfer or by means of CREST or Strate, and, to give effect to such transfers, any person or persons may be appointed by the Company as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Holder of the Scheme Shares to execute and deliver as transferor one or more form(s) of transfer or other instrument or instruction for transfer, or procure the transfer by means of CREST or Strate, of such Scheme Shares and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the Holder or Holders of the Scheme Shares thereby transferred.
- 1.3 With effect from the Effective Date and until the Register of Members is updated to reflect the transfer of the Scheme Shares and Sibanye-Stillwater as the Holder of the Scheme Shares pursuant to clauses 1.1 and 1.2, each Scheme Shareholder irrevocably:
  - (a) appoints Sibanye-Stillwater (or its nominee(s)) as its attorney to exercise any voting rights attached to the Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of the Company or of any class of its shareholders) attaching to the Scheme Shares and Sibanye-Stillwater (or its nominee(s)) shall be entitled to direct the exercise of any such votes at its sole discretion;
  - (b) appoints Sibanye-Stillwater (or its nominee(s)) as its attorney to sign any consent to short notice of any general meeting of the Company or any separate class meeting of the Company and on his or her behalf to execute a form of proxy in respect of such Scheme Shares appointing any person nominated by Sibanye-Stillwater to attend general meetings of the Company and any separate class meetings of the Company;
  - (c) authorises the Company to send to Sibanye-Stillwater any notice, circular, warrant or other document or communication which the Company sends to its Shareholders or any class thereof; and

- (d) undertakes not to: (i) exercise any votes or any other rights attaching to the relevant Scheme Shares without the consent of Sibanye-Stillwater; or (ii) appoint a proxy or representative for or to attend any general meeting or separate class meeting of the Company.

## 2. CONSIDERATION FOR THE TRANSFER OF THE SCHEME SHARES

- 2.1 In consideration for the transfer of the Scheme Shares pursuant to clause 1, Sibanye-Stillwater shall (subject to the remaining provisions of this clause 2 and to clause 3) allot and issue the New Sibanye-Stillwater Shares to each Scheme Shareholder (as such Scheme Shareholders appear on the Register of Members at the Scheme Record Time) on the following basis:

for each Scheme Share	one New Sibanye-Stillwater Share
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- 2.2 If any dividend, distribution or other return of value is authorised, declared, made or paid or becomes payable by the Company in respect of a Scheme Share and with a record date on or before the Effective Date, Sibanye-Stillwater shall be entitled to adjust the consideration provided for in clause 2.1 for such Scheme Share downwards on an equivalent basis to reflect the aggregate amount of such dividend, distribution or other return of value.
- 2.3 The New Sibanye-Stillwater Shares allotted and issued pursuant to clause 2.1 and the remaining provisions of this Scheme shall be issued credited as fully paid and will rank *pari passu* in all respects with all other fully paid Sibanye-Stillwater Shares in issue on the Effective Date, including in relation to the right to receive notice of, and to attend and vote at, general meetings of Sibanye-Stillwater, the right to receive and retain any dividends and other distributions declared, made or paid by reference to a record date falling on or after the Effective Date and to participate in the assets of Sibanye-Stillwater upon a return of capital whether on a winding-up of Sibanye-Stillwater or otherwise on or after the Effective Date.
- 2.4 Fractions of New Sibanye-Stillwater Shares shall not be allotted or issued to any Scheme Shareholder pursuant to this Scheme and the aggregate number of New Sibanye-Stillwater Shares to which a holder of Scheme Shares shall be entitled under clause 2.1 shall be calculated in whole numbers of New Sibanye-Stillwater Shares. Due to the 1:1 exchange ratio, no fractional entitlements to New Sibanye-Stillwater Shares are expected to arise pursuant to this Scheme. In the event any fractional entitlements were to arise, any fraction of a New Sibanye-Stillwater Share to which, but for this clause 2.4, a Scheme Shareholder would otherwise be entitled under clause 2.1 shall be paid in cash to the relevant Scheme Shareholder in due proportions in South African Rand (rounded down to the nearest ZAR cent). The cash payment due to the relevant Lonmin Shareholder would be determined with reference to the volume weighted average price in Rand of a Sibanye-Stillwater Share traded on the Johannesburg Stock Exchange on the Admission Date, less 10 per cent. In the case of Scheme Shareholders registered on the UK Register, the aggregate of such sums due to such Scheme Shareholders would be converted from South African Rand to Sterling at an exchange rate (rounded down to two decimal places) that is determined by Sibanye-Stillwater (or its nominee(s)) and paid (after the deduction of all costs and expenses incurred in respect of currency conversion and related transfers) to such Scheme Shareholders in due proportions, rounded down to the nearest Sterling penny. Any sums retained by Sibanye-Stillwater (or its nominee(s)) as a result of the rounding down of such payments to the nearest Sterling penny would be donated to charity.
- 2.5 For the purposes of determining fractional entitlements, in the event any fractional entitlements were to arise, each portion of a Scheme Shareholder's holding which is recorded on the Register of Members by reference to a separate designation at the Scheme Record Time shall be treated as a separate holding.

## 3. OVERSEAS SHAREHOLDERS

- 3.1 The provisions of clause 2 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if in respect of any Scheme Shareholder having a registered address in a jurisdiction outside the United Kingdom, South Africa or the United States or whom Sibanye-Stillwater reasonably believes is a citizen, resident or national of a jurisdiction outside the United Kingdom, South Africa or the United States, Sibanye-Stillwater is advised that the allotment, issue or delivery of New Sibanye-Stillwater Shares pursuant to clause 2 would or may infringe the laws of any such jurisdiction or would or may require compliance by the Company

or Sibanye-Stillwater (as the case may be) with any governmental or other consent or any registration, filing or other formality with which Sibanye-Stillwater is unable to comply or compliance with which Sibanye-Stillwater in its absolute discretion regards as unduly onerous, then Sibanye-Stillwater may, in its absolute discretion, determine either:

- (a) that such New Sibanye-Stillwater Shares shall not be issued to such Scheme Shareholder but shall instead be issued to a person appointed by Sibanye-Stillwater to hold such New Sibanye-Stillwater Shares for such Scheme Shareholder on terms that such person shall, as soon as practicable following the Effective Date, sell the New Sibanye-Stillwater Shares so issued; or
- (b) that such New Sibanye-Stillwater Shares shall be sold, in which case the New Sibanye-Stillwater Shares shall be issued to such Scheme Shareholder and Sibanye-Stillwater shall appoint a person to act pursuant to this clause 3.1(b) and such person shall be authorised on behalf of such Scheme Shareholder to procure that such New Sibanye-Stillwater Shares shall, as soon as practicable following the Effective Date, be sold.

3.2 Any sale under clause 3.1 shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to such Scheme Shareholder by sending a cheque, by making an electronic funds transfer or by creating an assured payment obligation and such proceeds shall be paid to such Scheme Shareholders in due proportions, rounded down to the nearest ZAR cent or Sterling penny (as applicable) in accordance with clause 4. In the case of such Scheme Shareholders whose Scheme Shares are registered on the UK Register, the aggregate net proceeds of sale due to such Scheme Shareholders shall be converted from South African Rand to Sterling at an exchange rate (rounded down to two decimal places) that is determined by Sibanye-Stillwater (or its nominee(s)) and shall be paid net of all deductions for costs and expenses incurred in respect of currency conversion and related transfers. Any sums retained by Sibanye-Stillwater (or its nominee(s)) as a result of the rounding down of such payments shall be donated to charity. Any fraction of a New Sibanye-Stillwater Shares to which, but for clause 2.4, such Scheme Shareholder would otherwise be entitled, would be paid in accordance with clause 2.4.

3.3 To give effect to any sale under clause 3.1, the person appointed by Sibanye-Stillwater in accordance with clause 3.1(b) shall be authorised as attorney or agent on behalf of the Scheme Shareholder concerned, and the person appointed by Sibanye-Stillwater in accordance with clause 3.1(a) shall be authorised to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of the Company, Sibanye-Stillwater or the persons so appointed shall have any liability for any determination made pursuant to clause 3.1 or for any loss or damage arising as a result of the timing or terms of any sale pursuant to clause 3.1.

#### **4. SETTLEMENT OF CONSIDERATION**

##### **Settlement of New Sibanye-Stillwater Shares**

4.1 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, Sibanye-Stillwater shall allot and issue the New Sibanye-Stillwater Shares which it is required to allot and issue to Scheme Shareholders pursuant to clause 2, and in the case of Scheme Shares which at the Scheme Record Time are:

- (a) held in uncertificated form in the Strate system, Sibanye-Stillwater shall procure that Strate is instructed to credit the appropriate CSDP, broker or custodian account with such Scheme Shareholder's entitlement to such New Sibanye-Stillwater Shares; and
- (b) registered on the UK Register (whether in certificated form or in uncertificated form in CREST) or on the South African Register in certificated form, Sibanye-Stillwater shall procure that Strate is instructed to credit the CSDP account of the Computershare Nominee with such Scheme Shareholder's entitlement to such New Sibanye-Stillwater Shares.

4.2 New Sibanye-Stillwater Shares credited to CSDPs, broker accounts or custodian accounts in the Strate system pursuant to clause 4.1(a) shall be registered in the name of such CSDP, broker or

custodian (as applicable) and held on behalf of those persons for whom the Strate Nominee or such CSDP, broker or custodian (as applicable) held the Scheme Shares in respect of which such New Sibanye-Stillwater Shares are issued.

- 4.3 New Sibanye-Stillwater Shares credited to the CSDP account of the Computershare Nominee in the Strate system pursuant to clause 4.1(b) shall be registered in the name of the Computershare Nominee and held by the Computershare Nominee. The Computershare Nominee shall hold the beneficial entitlement to such New Sibanye-Stillwater Shares on behalf of those persons who at the Scheme Record Time held Scheme Shares registered on the UK Register (whether in certificated form or in uncertificated form) or registered on the South African Register in certificated form.

#### **Settlement of any proceeds**

- 4.4 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, Sibanye-Stillwater shall, in respect of New Sibanye-Stillwater Shares issued and sold in accordance with clause 3.1 or sums due pursuant to clause 2.4:

- (a) in the case of Scheme Shareholders whose Scheme Shares are registered on the UK Register in certificated form at the Scheme Record Time, procure the despatch to the persons entitled thereto of cheques for the sums payable to them respectively;
- (b) in the case of Scheme Shareholders whose Scheme Shares are registered on the South African Register in certificated form at the Scheme Record Time, procure the despatch of cheques, or that an electronic payment be made, to the persons entitled thereto for the sums payable to them respectively;
- (c) in the case of:
  - (i) Scheme Shareholders whose Scheme Shares are held in uncertificated form through CREST as at the Scheme Record Time; or
  - (ii) Underlying SA Shareholders whose beneficial entitlement to Scheme Shares is held in uncertificated form through the Strate system as at the JSE Record Date,

procure that Euroclear or Strate, as applicable, is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST or Strate system assured payment arrangements for the sums payable to them respectively, provided that Sibanye-Stillwater reserves the right to make payment of the said sums by cheque as set out in clause 4.4(a) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this clause 4.4.

- 4.5 All deliveries of cheques pursuant to this Scheme shall be effected by sending the same by:

- (a) in the case of Scheme Shareholders on the UK Register as at the Scheme Record Time, first class post (or international standard post, if overseas) (or such other method as may be approved by the Panel); and
- (b) in the case of Scheme Shareholders on the South African Register as at the Scheme Record Time, standard post (or such other method as may be approved by the Panel),

in each case, in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the Register of Members or, in the case of joint Holders, at the address of the joint Holder whose name stands first in such Register of Members, as at the Scheme Record Time.

- 4.6 All cheques required to be delivered under this Scheme shall be made payable to the relevant Scheme Shareholders (except that, in the case of joint Holders of Scheme Shares, Sibanye-Stillwater reserves the right to make such cheques payable to the joint Holder whose name stands first in the Register of Members in respect of such joint holding at the Scheme Record Time). All such cheques shall be:

- (a) in the case of Scheme Shareholders on the UK Register as at the Scheme Record Time, in Sterling by cheque drawn on a branch of a clearing bank in the United Kingdom (or such other method as may be approved by the Panel); and

(b) in the case of Scheme Shareholders on the South African Register, in South African Rand drawn on a branch of a clearing bank in South Africa (or such other method as may be approved by the Panel),

and the encashment of any such cheque, the making of an electronic payment as referred to in clause 4.4(b) or the creation of any such assured payment obligation as referred to in clause 4.4(c) shall be a complete discharge of the obligations of Sibanye-Stillwater, any person appointed by Sibanye-Stillwater pursuant to clause 2, 3 or this clause 4, or the Company under this Scheme, to pay the monies represented thereby.

- 4.7 None of the Company, Sibanye-Stillwater nor any person appointed by Sibanye-Stillwater pursuant to clause 2, 3 or this clause 4 nor their directors, employees, representatives, officers, nominee(s) or their respective agents shall be responsible for any loss or delay in the transmission or delivery of any cheques sent in accordance with this clause 4, which shall be posted at the risk of the persons entitled thereto.
- 4.8 Electronic payments to Underlying SA Shareholders whose beneficial entitlement to Scheme Shares is held in uncertificated form through the Strate system as at the JSE Record Date shall be effected in South African Rand by electronic funds transfer to the bank account details provided to or held by the South African Registrar on behalf of the relevant CSDP, custodian or broker (as applicable) appointed by such Underlying SA Shareholder for onward payment to be made to such Underlying SA Shareholders entitled thereto.
- 4.9 The provisions of this clause 4 shall take effect subject to any prohibition or condition imposed by law.

## **5. SHARE CERTIFICATES AND TRANSFER OF ENTITLEMENTS**

- 5.1 With effect from, or as soon as practicable after, the Effective Date:
- (a) all certificates representing the Scheme Shares shall cease to have effect as documents of title to the Scheme Shares represented thereby and each Scheme Shareholder shall be bound at the request of the Company to deliver up their share certificate(s) to the Company (or any person appointed by the Company to receive the same) for cancellation, or as it may direct, to destroy the same;
  - (b) in respect of Scheme Shareholders registered on the UK Register whose Scheme Shares are held in uncertificated form through CREST as at the Scheme Record Time, the Company shall procure that Euroclear be instructed to cancel or transfer the entitlements of such Scheme Shareholders to such Scheme Shares; and
  - (c) the Company shall procure that the appropriate entries are made in the Register of Members to reflect the transfer of the Scheme Shares to Sibanye-Stillwater.
- 5.2 With effect from, or as soon as practicable after, the JSE Record Date, the Company shall procure that Strate automatically cancels the entitlements of Underlying SA Shareholders whose beneficial entitlement to Scheme Shares is held in uncertificated form through the Strate system as at the JSE Record Date, such that their entitlements are null and void.

## **6. MANDATES**

All mandates and other instructions relating to the monetary payment of dividends and all elections, instructions (or deemed instructions), including communication preferences, given to the Company by Scheme Shareholders and in force at the Scheme Record Time shall, unless and until revoked or amended, be deemed, as from the Effective Date, to be valid and effective mandates or instructions to Sibanye-Stillwater in relation to the New Sibanye-Stillwater Shares issued in respect thereof, except to the extent that a Scheme Shareholder already holds Sibanye-Stillwater Shares at the Scheme Record Time (and Sibanye-Stillwater's registrars are able to match such shareholdings), in which case any mandates and instructions in relation to those existing Sibanye-Stillwater Shares will also apply to the New Sibanye-Stillwater Shares issued to that Scheme Shareholder and any mandate held in respect of the Scheme Shares will therefore be disregarded.

**7. SCHEME EFFECTIVE DATE**

7.1 This Scheme shall become effective as soon as an office copy of the Scheme Court Order has been delivered by or on behalf of the Company to the Registrar of Companies.

7.2 Unless this Scheme becomes effective on or before the Longstop Date or such later date, if any, as Sibanye-Stillwater and the Company may agree with the Panel's consent and the Court may allow, this Scheme shall not become effective.

**8. COSTS**

The Company is authorised and permitted to pay all its costs and expenses relating to the negotiation, preparation and implementation of this Scheme.

**9. MODIFICATION**

The Company and Sibanye-Stillwater may jointly consent on behalf of all persons affected to any modification of, or addition to, this Scheme or to any condition approved or imposed by the Court. Any such modification or addition may require the consent of the Panel.

**10. GOVERNING LAW**

This Scheme is governed by English law and is subject to the exclusive jurisdiction of the English courts. The rules of the Takeover Code apply to this Scheme.

Dated: 25 April 2019

## PART V

### SETTLEMENT, DEALING FACILITY AND FRACTIONAL ENTITLEMENTS

#### 1. LISTINGS, DEALINGS AND SETTLEMENT

##### ***Settlement overview***

The way in which Lonmin Shareholders or Underlying SA Shareholders will receive their New Sibanye-Stillwater Shares (or beneficial entitlement to such shares) will depend on how they hold their Lonmin Shares on the Lonmin Register of Members as at the Scheme Record Time, as summarised below.

It is the responsibility of Lonmin Shareholders to satisfy themselves as to the full observance of applicable laws and regulatory requirements, including the obtaining of any governmental, exchange control or other consents that may be required in order for them, their nominee, custodian, trustee, CSDP, broker, the Computershare Nominee or other person, as relevant, to receive and hold the New Sibanye-Stillwater Shares as described in this Part V.

##### **Manner in which Lonmin Shares are held as at the Scheme Record Time**

##### **Manner in which New Sibanye-Stillwater Shares will be held on Admission**

##### **South Africa**

**On Lonmin's South African Register in uncertificated form through the Strate system in a CSDP or broker account**

**New Sibanye-Stillwater Shares credited to same CSDP or broker account**

A beneficial entitlement to New Sibanye-Stillwater Shares held in uncertificated form through the Strate system, in the same CSDP or broker account as the Lonmin Shares were held, represented through the entry of such CSDP or broker, as applicable, on Sibanye-Stillwater's South African register and recorded in a sub-register maintained by the relevant CSDP or broker. See paragraph 1(a) of this Part V.

**On Lonmin's South African Register in certificated form**

**If no other action is taken by the relevant Lonmin Shareholder, New Sibanye-Stillwater Shares will be held in uncertificated form through the Strate system by the Computershare Nominee on their behalf**

A beneficial entitlement to New Sibanye-Stillwater Shares held in uncertificated form through the Strate system by the Computershare Nominee, represented through the entry of the Computershare Nominee on Sibanye-Stillwater's South African register and recorded in a sub-register maintained by the Computershare Nominee, unless the relevant Lonmin Shareholder has taken the steps described in paragraph 1(b) of this Part V to arrange for their Lonmin Shares to be held through the Strate system prior to the Scheme Record Time by appointing their own CSDP or appropriately authorised broker in South Africa.

New Sibanye-Stillwater Shares to which a Lonmin Shareholder has become entitled pursuant to the above can, at such holder's own cost, be rematerialised (i.e. converted into certificated form) on to Sibanye-Stillwater's South African register following settlement of such New Sibanye-Stillwater Shares, by contacting Computershare.

**United Kingdom**

**On Lonmin's UK Register in uncertificated form through CREST**

**If no other action is taken by the relevant Lonmin Shareholder, New Sibanye-Stillwater Shares will be held in uncertificated form through the Strate system by the Computershare Nominee on their behalf**

A beneficial entitlement to New Sibanye-Stillwater Shares held in uncertificated form through the Strate system by the Computershare Nominee, represented through the entry of the Computershare Nominee on Sibanye-Stillwater's South African register and recorded in a sub-register maintained by the Computershare Nominee, unless the relevant Lonmin Shareholder has taken the steps described in paragraph 1(c) of this Part V to arrange for their Lonmin Shares to be held through the Strate system prior to the Scheme Record Time by: (i) contacting Equiniti, the UK Registrar, to arrange for their Lonmin Shares to be rematerialised from CREST (i.e. converted into certificated form) and transferred from the UK Register to the South African Register prior to the Register Transfer Deadline; and (ii) appointing their own CSDP or appropriately authorised broker in South Africa.

New Sibanye-Stillwater Shares to which a Lonmin Shareholder has become entitled pursuant to the above can, at such holder's own cost, be rematerialised onto Sibanye-Stillwater's UK branch register following settlement of such New Sibanye-Stillwater Shares, by contacting Computershare.

**On Lonmin's UK Register in certificated form**

**If no other action is taken by the relevant Lonmin Shareholder, New Sibanye-Stillwater Shares will be held in uncertificated form through the Strate system by the Computershare Nominee on their behalf**

A beneficial entitlement to New Sibanye-Stillwater Shares held in uncertificated form through the Strate system by the Computershare Nominee, represented through the entry of the Computershare Nominee on Sibanye-Stillwater's South African register and recorded in a sub-register maintained by the Computershare Nominee, unless the relevant Lonmin Shareholder has taken the steps described in paragraph 1(d) of this Part V to arrange for their Lonmin Shares to be held through the Strate system prior to the Scheme Record Time by: (i) contacting Equiniti, the UK Registrar, to arrange for their Lonmin Shares to be transferred from the UK Register in CREST to the South African Register prior to the Register Transfer Deadline; and (ii) appointing



**Manner in which Lonmin Shares are held as at the Scheme Record Time**

**Manner in which New Sibanye-Stillwater Shares will be held on Admission**

their own CSDP or appropriately authorised broker in South Africa.

New Sibanye-Stillwater Shares to which a Lonmin Shareholder has become entitled pursuant to the above can, at such holder's own cost, be rematerialised (i.e. converted into certificated form) on to Sibanye-Stillwater's UK branch register following settlement of such New Sibanye-Stillwater Shares, by contacting Computershare.

**FURTHER EXPLANATION OF SETTLEMENT ARRANGEMENTS**

***LONMIN SHARES HELD ON THE SOUTH AFRICAN REGISTER***

**(a) Lonmin Shares held on the South African Register in uncertificated form through the Strate system in a CSDP or broker account as at the Scheme Record Time**

The Strate system is the authorised central securities depository for the electronic settlement of all financial instruments in South Africa. Shares represented by electronic records of ownership (and not by share certificates or other documents of title) are referred to as being "dematerialised" or held in "uncertificated form". Shares evidenced by share certificates or other documents of title are referred to as shares held in "certificated form". CSDPs are the only market participants who can liaise directly with the Strate system. Under the Strate system, there are two types of clients: (i) clients with "own name" registration; and (ii) clients without "own name" registration. Clients with "own name" registration appoint their own CSDP and receive their shares or cash directly into their CSDP account. Clients without "own name" registration receive their shares or cash in the custody of their broker and, therefore, indirectly through the broker's chosen CSDP. Clients without "own name" registration deal directly and exclusively with their broker.

To facilitate trading of the New Sibanye-Stillwater Shares to be held by Underlying SA Shareholders on the Johannesburg Stock Exchange through the Strate system from Admission, once the Scheme becomes Effective, such New Sibanye-Stillwater Shares will be registered in the name of the CSDP or broker which held the relevant Lonmin Shares in respect of which such New Sibanye-Stillwater Shares are issued on Sibanye-Stillwater's South African register. Underlying SA Shareholders will therefore remain underlying shareholders in respect of their New Sibanye-Stillwater Shares and receive a beneficial entitlement to such New Sibanye-Stillwater Shares that is recorded in accounts maintained by their CSDP or their broker (as applicable). Transfer and settlement of such beneficial entitlement to New Sibanye-Stillwater Shares will be effected through the Strate system in accordance with the Strate system rules. This will apply to clients with "own name" registration and clients without "own name" registration. Trades in the Lonmin Shares held by Underlying SA Shareholders currently settle in the same way. The settlement of the beneficial entitlement to New Sibanye-Stillwater Shares will not have any South African STT consequences. For further information, please refer to Part VIII of this document.

Underlying SA Shareholders of New Sibanye-Stillwater Shares must therefore continue to maintain an account with a CSDP (for clients with "own name" registration) or broker (for clients without "own name" registration) and should instruct their CSDP or broker (as applicable) regarding voting and any other matters in respect of their entitlement to New Sibanye-Stillwater Shares, in accordance with the existing custody agreement and any other mandates in place.

If an Underlying SA Shareholder of New Sibanye-Stillwater Shares is a client without "own name" registration and wishes to attend a Sibanye-Stillwater Shareholder meeting in person, he/she will need to contact their broker to request a voting instruction form from their CSDP, who will then make arrangements to obtain a voting instruction form through the Strate system, in substantially the same way as occurs for Lonmin Shares currently.

Any dividends declared and paid by Sibanye-Stillwater in respect of New Sibanye-Stillwater Shares held through the Strate system will be declared and paid in South African Rand. Dividends distributed

by Sibanye-Stillwater to non-residents of South Africa are generally subject to dividend withholding tax at a rate of 20 per cent. on the amount of the distribution. Subject to certain restrictions detailed in the double tax treaty between the United Kingdom and South Africa, residents of the United Kingdom may be entitled to partial relief from any such withholding tax under the foresaid double tax treaty, which generally provides for a reduced rate of withholding tax of 10 per cent. Residents of the United Kingdom who may be eligible for this partial exemption from dividend withholding tax payable on dividends paid by Sibanye-Stillwater may obtain such exemption by submitting a tax declaration form to their CSDP or broker, if they have not already done so, and should contact their CSDP or broker for further information in this regard. For further information on taxation, please refer to Part VIII of this document.

Payments (for example, of dividends paid by Sibanye-Stillwater) by CSDPs or brokers will be made in accordance with the terms of the existing custody agreement and any other mandates in place, in substantially the same way as occurs for Lonmin Shares currently. For further information, please contact your CSDP or broker (as applicable).

The timetable of events on the Johannesburg Stock Exchange has been determined in consultation with the Johannesburg Stock Exchange on the basis that Underlying SA Shareholders should have the ability to deal in their entitlement to Lonmin Shares for at least as long as other Lonmin Shareholders are able to do so, including those on the UK Register. The result is that the JSE Record Date for Underlying SA Shareholders is the third Business Day after the Effective Date. This does not have an impact on the record date for the Scheme under English law because the registered member on the Lonmin Register of Members in relation to the Underlying SA Shareholders is the Strate Nominee.

The timing of Admission of the New Sibanye-Stillwater Shares on the Johannesburg Stock Exchange has been agreed with the Johannesburg Stock Exchange. The agreed timing allows for the settlement of New Sibanye-Stillwater Shares in respect of Underlying SA Shareholders at the JSE Record Date and is based on Strate's T+3 settlement cycle. This will not preclude Underlying SA Shareholders from dealing in their entitlements to the New Sibanye-Stillwater Shares from 9:00 a.m. (South African standard time) on the Admission Date.

Sibanye-Stillwater will procure that the relevant CSDPs are instructed to credit the appropriate CSDP account through the Strate system with each Underlying SA Shareholders' beneficial entitlement to the relevant number of New Sibanye-Stillwater Shares on the Business Day after the JSE Record Date.

After the JSE Record Date, entitlements to Lonmin Shares held through the Strate system will be cancelled. For further information, see paragraphs 1(a) and 1(c) of this Part V.

#### **(b) Lonmin Shares held on the South African Register in certificated form**

The New Sibanye-Stillwater Shares can only be issued in uncertificated form due to the requirements of the Financial Markets Act. Accordingly, Lonmin Shareholders whose Lonmin Shares are held in certificated form on the South African Register will be required to take steps to dematerialise their holding of Lonmin Shares through the Strate system for their New Sibanye-Stillwater Shares to be capable of being traded on the Johannesburg Stock Exchange.

This will require such Lonmin Shareholders to appoint their own CSDP or appropriately authorised broker in South Africa to arrange for their Lonmin Shares to be dematerialised into uncertificated form and held through the Strate system prior to the Scheme Record Time. To complete this process, such Lonmin Shareholders may be required to complete certain "know your customer" checks that must be carried out by the relevant CSDP or broker to satisfy legal and regulatory requirements. All such processes must be completed by the Scheme Record Time, in which case such Lonmin Shareholders will receive New Sibanye-Stillwater Shares in the manner described in paragraph 1(a) of this Part V.

If such Lonmin Shareholders take no action (or do not complete the actions described above) prior to the Scheme Record Time, the New Sibanye-Stillwater Shares to which they will become entitled will be issued and allotted to the Computershare Nominee on Sibanye-Stillwater's South African branch register. The Computershare Nominee will be the registered Holder of the New Sibanye-Stillwater Shares and will dematerialise the relevant New Sibanye-Stillwater Shares into the Strate system to enable them to be traded and settled on the Johannesburg Stock Exchange. The Computershare

Nominee will hold the registered title to the relevant New Sibanye-Stillwater Shares and the Computershare Nominee or Computershare Proprietary Limited's CSDP will record that the beneficial entitlement to such New Sibanye-Stillwater Shares is held by the relevant Lonmin Shareholders. Any such Lonmin Shareholder will therefore have become an Underlying SA Shareholder in respect of the New Sibanye-Stillwater Shares to which they are entitled. The settlement of the entitlement to such New Sibanye-Stillwater Shares will not have any South African STT consequences for the Lonmin Shareholders. For further information, please refer to Part VIII of this document.

As noted above, such Underlying SA Shareholders will retain the beneficial ownership of such New Sibanye-Stillwater Shares in dematerialised form, which will be recorded in a sub-register maintained by the Computershare Nominee or Computershare Proprietary Limited's CSDP, who will confirm the number of New Sibanye-Stillwater Shares to which the relevant Underlying SA Shareholder is entitled by sending them a statement of entitlement. Such Underlying SA Shareholders will be bound by the provisions of Strate's rules and directives and will be deemed to have agreed to the terms of a custody agreement with Computershare Proprietary Limited, which establishes a business relationship between Computershare Proprietary Limited and each Underlying SA Shareholder to which this arrangement applies. A copy of the custody agreement is available on Computershare's website at <https://www.computershare.com/za/Shared%20Documents/Custody-and-Settlement-Agreement.pdf>.

**However, to be able to take any action in respect of the New Sibanye-Stillwater Shares to which they are entitled (for example, trading, voting and/or receiving dividends), such Underlying SA Shareholders will need to take further action. They will need to contact the Computershare Nominee to complete certain "know your customer" checks that must be carried out by the Computershare Nominee to satisfy legal and regulatory requirements.** Underlying SA Shareholders may also transition their entitlement to New Sibanye-Stillwater Shares from the Computershare Nominee, at their own cost, either by:

- (i) rematerialising the New Sibanye-Stillwater Shares to which they have become entitled pursuant to the Scheme from the Strate system to a certificated holding on Sibanye-Stillwater's South African register following settlement of such New Sibanye-Stillwater Shares. Any Underlying SA Shareholders wishing to take this action should contact Computershare to arrange for their holding to be rematerialised into certificated form and held on Sibanye-Stillwater's South African register; or
- (ii) appointing their own CSDP or appropriately authorised broker in South Africa to arrange for the New Sibanye-Stillwater Shares to be held in their own CSDP or brokerage account through the Strate system. Further information about the operation of the Strate system and CSDPs can be found in paragraph 1(a) of this Part V and below.

Further information about appointing a CSDP is available by contacting Computershare on +27 860 100 933 (or 011 870 8216 for callers within South Africa) or on its website at <https://www.computershare.com/za/Pages/JSE-listed-securities.aspx> or by contacting Link Investor Services on (+27) 011 713 0800 or via email at [CSDP@linkmarketservices.co.za](mailto:CSDP@linkmarketservices.co.za). A full list of CSDPs that can be appointed is also available on Strate's website at <https://www.strate.co.za/strate/supervision/participants>.

If any Underlying SA Shareholder in respect of New Sibanye-Stillwater Shares fails to arrange for the above processes to be completed within three years of the Effective Date of the Scheme, the New Sibanye-Stillwater Shares to which they are entitled will be sold at the then prevailing market price and the proceeds of such sale, less the costs incurred in connection with it, will be paid to the benefit of the Guardian's Fund of the Master of the High Court of South Africa and will be held and dealt with in accordance with the rules of that fund. The proceeds of such sale may be claimed by the relevant Underlying SA Shareholder, subject to the requirements imposed by the Master of the High Court of South Africa. In this regard, each such Underlying SA Shareholder irrevocably authorises and appoints Sibanye-Stillwater (or its successor-in-title) or any other person nominated by Sibanye-Stillwater (or its successor-in-title), in *rem suam*, with full power of substitution, to act as its agent and in its name, place and stead to dispose of the relevant New Sibanye-Stillwater Shares (or beneficial entitlement thereto) to which the relevant Underlying SA Shareholders are entitled and to pay the proceeds to the benefit of the Guardian's Fund of the Master of the High Court of South Africa in the aforesaid manner.

Once the Scheme becomes Effective, share certificates in respect of Lonmin Shares will cease to be valid and must, if so requested by Lonmin, be delivered to Lonmin (or any person appointed by Lonmin to receive the same) for cancellation, or as Lonmin direct, be destroyed.

### **LONMIN SHARES HELD ON THE UK REGISTER**

#### **(c) Lonmin Shares held in uncertificated form on the UK Register through CREST**

As New Sibanye-Stillwater Shares will only be listed on the Johannesburg Stock Exchange, they will not be traded on the London Stock Exchange and will not be capable of being held or settled through CREST. Further, the New Sibanye-Stillwater Shares can only be issued in uncertificated form due to the requirements of the Financial Markets Act. Accordingly, Lonmin Shareholders holding their Lonmin Shares in uncertificated form through CREST will be required to take the steps described below for their New Sibanye-Stillwater Shares to be capable of being traded on the Johannesburg Stock Exchange. This will require such Lonmin Shareholders to:

- (i) call Equiniti, the UK Registrar, to arrange for their Lonmin Shares to be rematerialised from CREST into certificated form and transferred from the UK Register to the South African Register. Equiniti will explain the process that must be followed to transfer Lonmin Shares to the South African Register. The transfer process must be completed prior to the Register Transfer Deadline; and
- (ii) appoint their own CSDP or appropriately authorised broker in South Africa to arrange for their Lonmin Shares to be dematerialised into uncertificated form and held through the Strate system. To complete this process, such Lonmin Shareholders may be required to complete certain “know your customer” checks that must be carried out by the CSDP or broker to satisfy legal and regulatory requirements. All such processes must be completed prior to the Scheme Record Time.

The transfer of Lonmin Shares from the London Stock Exchange to the Johannesburg Stock Exchange and dematerialisation process will not have any South African STT consequences. If the above actions are taken before the Register Transfer Deadline and the Scheme Record Time (as applicable), such Lonmin Shareholders will receive New Sibanye-Stillwater Shares in the manner described in paragraph 1(a) of this Part V.

If such Lonmin Shareholders take no action (or do not complete the actions described above) prior to the Register Transfer Deadline and the Scheme Record Time (as applicable), the New Sibanye-Stillwater Shares to which they will become entitled will be issued and allotted to the Computershare Nominee on Sibanye-Stillwater’s South African branch register. The Computershare Nominee will be the registered Holder of the New Sibanye-Stillwater Shares and will dematerialise the relevant New Sibanye-Stillwater Shares into the Strate system to enable them to be traded and settled on the Johannesburg Stock Exchange. The Computershare Nominee will hold the registered title to the relevant New Sibanye-Stillwater Shares and the Computershare Nominee or Computershare Proprietary Limited’s CSDP will record that the beneficial entitlement to such New Sibanye-Stillwater Shares is held by the relevant Lonmin Shareholders. Any such Lonmin Shareholder will therefore have become an Underlying SA Shareholder in respect of the New Sibanye-Stillwater Shares to which they are entitled. The settlement of the entitlement to New Sibanye-Stillwater Shares will not have any South African STT consequences. For further information, please refer to Part VIII of this document.

As noted above, such Underlying SA Shareholders will retain the beneficial ownership of such New Sibanye-Stillwater Shares in dematerialised form, which will be recorded in a sub-register maintained by the Computershare Nominee or Computershare Proprietary Limited, who will confirm the number of New Sibanye-Stillwater Shares to which the relevant Underlying SA Shareholder is entitled by sending them a statement of entitlement. Such Underlying SA Shareholders will be bound by the provisions of Strate’s rules and directives and will be deemed to have agreed to the terms of a custody agreement with Computershare Proprietary Limited, which establishes a business relationship between Computershare Proprietary Limited and each Underlying SA Shareholder to which this arrangement applies. A copy of the custody agreement is available on Computershare’s website at <https://www.computershare.com/za/Shared Documents/Custody-and-Settlement-Agreement.pdf>.

**However, to be able to take any action in respect of the New Sibanye-Stillwater Shares to which they are entitled (for example, trading, voting and/or receiving dividends), such Underlying SA**

**Shareholders will need to take further action. They will need to contact the Computershare Nominee to complete certain “know your customer” checks that must be carried out by the Computershare Nominee to satisfy legal and regulatory requirements.** Underlying SA Shareholders may also transition their entitlement to New Sibanye-Stillwater Shares from the Computershare Nominee, at their own cost, either by:

- (i) rematerialising the New Sibanye-Stillwater Shares to which they have become entitled pursuant to the Scheme from the Strate system to a certificated holding on Sibanye-Stillwater’s UK branch register following settlement of such New Sibanye-Stillwater Shares. Any Underlying SA Shareholders wishing to take this action should contact Computershare to arrange for their holding to be rematerialised and transferred to Sibanye-Stillwater’s UK branch register; or
- (ii) appointing their own CSDP or appropriately authorised broker in South Africa to arrange for the New Sibanye-Stillwater Shares to be held in their own CSDP/brokerage account through the Strate system. Further information about the operation of the Strate system and CSDPs can be found in paragraph 1(a) of this Part V.

Further information about appointing a CSDP is available by contacting Computershare on +27 860 100 933 (or 011 870 8216 for callers within South Africa) or on its website at <https://www.computershare.com/za/Pages/JSE-listed-securities.aspx> or by contacting Link Investor Services on (+27) 011 713 0800 or via email at [CSDP@linkmarketservices.co.za](mailto:CSDP@linkmarketservices.co.za). A full list of CSDPs that can be appointed is also available on Strate’s website at <https://www.strate.co.za/strate/supervision/participants>.

If any Underlying SA Shareholder in respect of New Sibanye-Stillwater Shares fails to arrange for the above processes to be completed within three years of the Effective Date of the Scheme, the New Sibanye-Stillwater Shares to which they are entitled will be sold at the then prevailing market price and the proceeds of such sale, less the costs incurred in connection with it, will be paid to the benefit of the Guardian’s Fund of the Master of the High Court of South Africa and will be held and dealt with in accordance with the rules of that fund. The proceeds of such sale may be claimed by the relevant Underlying SA Shareholder, subject to the requirements imposed by the Master of the High Court of South Africa. In this regard, each such Underlying SA Shareholder irrevocably authorises and appoints Sibanye-Stillwater (or its successor-in-title) or any other person nominated by Sibanye-Stillwater (or its successor-in-title), in *rem suam*, with full power of substitution, to act as its agent and in its name, place and stead to dispose of the relevant New Sibanye-Stillwater Shares (or beneficial entitlement thereto) to which the relevant Underlying SA Shareholders are entitled and to pay the proceeds to the benefit of the Guardian’s Fund of the Master of the High Court of South Africa in the aforesaid manner.

From the Effective Date, entitlements to Lonmin Shares held within the CREST system will be cancelled. For further information, see paragraphs 1(a) and 1(c) of this Part V.

#### **(d) Lonmin Shares held on the UK Register in certificated form**

As the New Sibanye-Stillwater Shares will only be traded and settled on the Johannesburg Stock Exchange and can only be issued in uncertificated form due to the requirements of the Financial Markets Act, Lonmin Shareholders who hold their Lonmin Shares in certificated form on the UK Register will be required to take the steps described below for their New Sibanye-Stillwater Shares to be capable of being traded on the Johannesburg Stock Exchange. This will require such Lonmin Shareholders to:

- (i) call Equiniti, the UK Registrar, to arrange for their Lonmin Shares to be transferred from the UK Register to the South African Register. Equiniti will explain the register transfer process that must be followed. The transfer process must be completed by the Register Transfer Deadline; and
- (ii) appoint their own CSDP or appropriately authorised broker in South Africa to arrange for the Lonmin Shares to be dematerialised into uncertificated form and held through the Strate system. To complete this process, such Lonmin Shareholders may be required to complete certain “know your customer” checks that must be carried out by the CSDP or broker in order to satisfy legal and regulatory requirements. All such processes must be completed by the Scheme Record Time.

The transfer of Lonmin Shares from the London Stock Exchange to the Johannesburg Stock Exchange and dematerialisation process will not have any South African STT consequences. If the above actions

are taken before the Register Transfer Deadline and the Scheme Record Time (as applicable), such Lonmin Shareholders will receive New Sibanye-Stillwater Shares in the manner described in paragraph 1(a) of this Part V.

If such Lonmin Shareholders take no action (or do not complete the actions described above) prior to the Register Transfer Deadline and the Scheme Record Time (as applicable), the New Sibanye-Stillwater Shares to which they will become entitled will be issued and allotted to the Computershare Nominee on Sibanye-Stillwater's South African branch register. The Computershare Nominee will be the registered Holder of the New Sibanye-Stillwater Shares and will dematerialise the relevant New Sibanye-Stillwater Shares into the Strate system to enable them to be traded and settled on the Johannesburg Stock Exchange. The Computershare Nominee will hold the registered title to the relevant New Sibanye-Stillwater Shares and the Computershare Nominee or Computershare Proprietary Limited's CSDP will record that the beneficial entitlement to such New Sibanye-Stillwater Shares is held by the relevant Lonmin Shareholders. Any such Lonmin Shareholder will therefore have become an Underlying SA Shareholder in respect of the New Sibanye-Stillwater Shares to which they are entitled. The settlement of the entitlement to New Sibanye-Stillwater Shares in this way will not have any South African STT consequences. For further information, please refer to Part VIII of this document.

As noted above, the Underlying SA Shareholder will retain the beneficial ownership of such New Sibanye-Stillwater Shares in dematerialised form, which will be recorded in a sub-register maintained by the Computershare Nominee or Computershare Proprietary Limited's CSDP, who will confirm the number of New Sibanye-Stillwater Shares to which the relevant Underlying SA Shareholder is entitled by sending them a statement of entitlement. Such Underlying SA Shareholders will be bound by the provisions of Strate's rules and directives and will be deemed to have agreed to the terms of a custody agreement with Computershare Proprietary Limited, which establishes a business relationship between Computershare Proprietary Limited and each Underlying SA Shareholder to which this arrangement applies. A copy of the custody agreement is available on Computershare's website at <https://www.computershare.com/za/Shared Documents/Custody-and-Settlement-Agreement.pdf>.

**However, to be able to take any action in respect of the New Sibanye-Stillwater Shares to which they are entitled (for example, trading, voting and/or receiving dividends), such Underlying SA Shareholders will need to take further action. They will need to contact the Computershare Nominee to complete certain "know your customer" checks that must be carried out by the Computershare Nominee to satisfy legal and regulatory requirements.** Underlying SA Shareholders may also transition their entitlement to New Sibanye-Stillwater Shares from the Computershare Nominee, at their own cost, either by:

- (i) rematerialising the New Sibanye-Stillwater Shares to which they have become entitled pursuant to the Scheme from the Strate system to a certificated holding on Sibanye-Stillwater's UK branch register following settlement of such New Sibanye-Stillwater Shares. Any Underlying SA Shareholders wishing to take this action should contact Computershare to arrange for their holding to be rematerialised and transferred to Sibanye-Stillwater's UK branch register; or
- (ii) appointing their own CSDP or appropriately authorised broker in South Africa to arrange for the New Sibanye-Stillwater Shares to be held in their own CSDP or brokerage account through the Strate system. Further information about the operation of the Strate system and CSDPs can be found in paragraph 1(a) of this Part V.

Further information about appointing a CSDP is available by contacting Computershare on +27 860 100 933 (or 011 870 8216 for callers within South Africa) or on its website at <https://www.computershare.com/za/Pages/JSE-listed-securities.aspx> or by contacting Link Investor Services on (+27) 011 713 0800 or via email at [CSDP@linkmarketservices.co.za](mailto:CSDP@linkmarketservices.co.za). A full list of CSDPs that can be appointed is also available on Strate's website at <https://www.strate.co.za/strate/supervision/participants>.

If any Underlying SA Shareholder in respect of New Sibanye-Stillwater Shares fails to arrange for the above processes to be completed within three years of the Effective Date of the Scheme, the New Sibanye-Stillwater Shares to which they are entitled will be sold at the then prevailing market price and the proceeds of such sale, less the costs incurred in connection with it, will be paid to the benefit of the Guardian's Fund of the Master of the High Court of South Africa and will be held and dealt with in

accordance with the rules of that fund. The proceeds of such sale may be claimed by the relevant Underlying SA Shareholder, subject to the requirements imposed by the Master of the High Court of South Africa. In this regard, each such Underlying SA Shareholder irrevocably authorises and appoints Sibanye-Stillwater (or its successor-in-title) or any other person nominated by Sibanye-Stillwater (or its successor-in-title), in *rem suam*, with full power of substitution, to act as its agent and in its name, place and stead to dispose of the relevant New Sibanye-Stillwater Shares (or beneficial entitlement thereto) to which the relevant Underlying SA Shareholders are entitled and to pay the proceeds to the benefit of the Guardian's Fund of the Master of the High Court of South Africa in the aforesaid manner.

Once the Scheme becomes Effective, share certificates in respect of Lonmin Shares will cease to be valid and must, if so requested by Lonmin, be delivered to Lonmin (or any person appointed by Lonmin to receive the same) for cancellation, or as Lonmin direct, be destroyed.

## 2. DEALING FACILITY FOR NEW SIBANYE-STILLWATER SHARES

### ***Eligibility to participate in the Dealing Facility***

Lonmin Shareholders who are Eligible Dealing Facility Participants are being offered a free sale service through which they can sell all (but not part only) of the New Sibanye-Stillwater Shares to which they will become entitled upon the Scheme becoming Effective, free of dealing costs (the "**Dealing Facility**").

Lonmin Shareholders will be "**Eligible Dealing Facility Participants**" if they hold fewer than 200,000 Lonmin Shares:

- (i) in certificated form on the South African Register; or
- (ii) in certificated form on the UK Register or in uncertificated form through CREST as an individual (non-corporate) CREST sponsored member on the UK Register,

as at the Scheme Record Time. Lonmin Shareholders who would otherwise be eligible to participate in the Free Share Dealing Service on the basis of this criteria, but are resident in the United States, are not be eligible to participate in the Dealing Facility as a result of United States federal security laws. The attention of other Overseas Shareholders is drawn to paragraph 15 of Part II of this document. Other Lonmin Shareholders or Lonmin ADS Holders are not eligible to participate in the Dealing Facility.

Eligible Dealing Facility Participants holding between 10,001 and 199,999 (inclusive) Lonmin Shares on the UK Register as at the Scheme Record Time may only participate in the Dealing Facility if they are able to satisfy certain "know your customer" requirements. This will require such Eligible Dealing Facility Participants to read the "Customer Identification and Verification Documents" form enclosed with this document and provide the required supporting documentation to Equiniti.

The last time and date for Free Share Dealing Service Forms (together with any required supporting documentation, if applicable) to be received by Equiniti is 5:00 p.m. (London time) on 5 June 2019 and by Link Investor Services is 12:00 p.m. (South African standard time) on 5 June 2019.

The Dealing Facility cannot be used to purchase additional New Sibanye-Stillwater Shares. Persons wanting to sell their New Sibanye-Stillwater Shares are not obliged to sell them through the Dealing Facility.

### ***Documentation to complete if you intend to participate***

If you are an Eligible Dealing Facility Participant as at the date of this document, you will have received with this document a Free Share Dealing Service Form together with the terms and conditions of the Dealing Facility (which are summarised below) (and a "Customer Identification and Verification Documents" form, if applicable) and a pre-paid envelope (for use within the United Kingdom or South Africa (as applicable) only).

Lonmin Shareholders who have not received a Free Share Dealing Service Form and the terms and conditions of the Dealing Facility (and the "Customer Identification and Verification Documents" form, if

applicable), but believe that they may be entitled to participate should contact the relevant Lonmin Registrar. Lonmin Shareholders who are not currently eligible to participate in the Dealing Facility but, prior to the last day for Free Share Dealing Service Forms to reach Equiniti or Link Investor Services (as applicable), acquires or disposes of Lonmin Shares (and satisfies the other eligibility criteria) such that they become eligible to participate in the Dealing Facility, should contact the relevant Lonmin Registrar to obtain a Free Share Dealing Service Form and the terms and conditions of the Dealing Facility (and the "Customer Identification and Verification Documents" form, if applicable).

If you are an Eligible Dealing Facility Participant and would like to participate in the Dealing Facility, please complete the relevant Free Share Dealing Service Form and return it to Equiniti or Link Investor Services (as applicable) using the pre-paid envelope (for use within the United Kingdom or South Africa (as applicable) only) supplied with the Free Share Dealing Service Form at the address specified thereon and to be received by Equiniti or Link Investor Services (as applicable) by the deadline specified in the Free Share Dealing Service Form. Eligible Dealing Facility Participants holding between 10,001 and 199,999 (inclusive) Lonmin Shares on the UK Register as at the Scheme Record Time must also provide to Equiniti the supporting documentation listed in the "Customer Identification and Verification Documents" form enclosed with this document. The last time and date for Free Share Dealing Service Forms (together with any required supporting documentation, if applicable) to be received by Equiniti is 5:00 p.m. (London time) on 5 June 2019 and by Link Investor Services is 12:00 p.m. (South African standard time) on 5 June 2019. Eligible Dealing Facility Participants may also be required by applicable anti-money laundering laws to provide evidence of their identity to Equiniti or Link Investor Services prior to despatch of the proceeds of sale.

If a Free Share Dealing Service Form is validly completed by an Eligible Dealing Facility Participant (and the necessary supporting documentation provided, if applicable), the New Sibanye-Stillwater Shares to which such Eligible Dealing Facility Participant becomes entitled under the Scheme will be sold in accordance with the terms and conditions of the Dealing Facility. Eligible Dealing Facility Participants' decisions to participate in the Dealing Facility will be irrevocable after the Free Share Dealing Service Form has been received by either Equiniti or Link Investor Services (as applicable).

### ***Summary of the terms and conditions of the Dealing Facility***

Link Investor Services will provide the Dealing Facility in relation to the sale of the New Sibanye-Stillwater Shares to which Eligible Dealing Facility Participants will become entitled upon the Scheme becoming Effective. Equiniti is providing processing and reporting services for Lonmin Shareholders on the UK Register in relation to the Dealing Facility.

The Dealing Facility will be provided on an execution-only basis, in accordance with the terms and conditions of the Dealing Facility sent to Eligible Dealing Facility Participants with this document.

By submitting the Free Share Dealing Service Form, an Eligible Dealing Facility Participant warrants to Link Investor Services (and, where applicable, Equiniti) that:

- (i) he/she will not sell or purport to sell the New Sibanye-Stillwater Shares to which he/she will become entitled upon the Scheme becoming Effective, or any interest in such New Sibanye-Stillwater Shares, to any third party from the Effective Time of the Scheme until such time as such New Sibanye-Stillwater Shares are sold;
- (ii) the New Sibanye-Stillwater Shares to which he/she will become entitled upon the Scheme becoming Effective will be sold free from all liens, charges or other third-party rights or any encumbrance of any kind;
- (iii) he/she will be entitled to sell the New Sibanye-Stillwater Shares to which he/she will become entitled upon the Scheme becoming Effective from the Effective Time of the Scheme;
- (iv) the sale of the New Sibanye-Stillwater Shares to which he/she will become entitled upon the Scheme becoming Effective will not constitute a breach by him/her of any applicable laws and regulations in his/her jurisdiction; and
- (v) he/she has the capacity and the authority to sign the Free Share Dealing Service Form.

By submitting a Free Share Dealing Service Form to Equiniti or Link Investor Services, as applicable, the Eligible Dealing Facility Participant irrevocably authorises Link Investor Services to appoint a



stockbroker to execute the sale of the relevant New Sibanye-Stillwater Shares to which such Eligible Dealing Facility Participant will become entitled upon the Scheme becoming Effective. Once an Eligible Dealing Facility Participant has sent his/her instruction to sell to Equiniti or Link Investor Services, he/she will not be able to cancel such instructions.

Sales of the New Sibanye-Stillwater Shares to which Eligible Dealing Facility Participants will become entitled upon the Scheme becoming Effective are expected to take place during the week following Admission. Following a stockbroker appointed by Link Investor Services executing an instruction to sell, the proceeds of sale of the New Sibanye-Stillwater Shares to which Eligible Dealing Facility Participants become entitled under the Scheme will be paid to such Eligible Dealing Facility Participants:

- (a) holding Lonmin Shares in certificated form on the South African Register, by crediting their nominated bank account in South African Rand within three Business Days after the New Sibanye-Stillwater Shares are sold in the market; and
- (b) holding Lonmin Shares on the UK Register (whether in certificated form or formerly through CREST) by cheque in Sterling, the proceeds of sale having been converted from South African Rand into Sterling at a rate determined by Link Investor Services, 10 Business Days after such aggregate proceeds of sale have cleared in Equiniti's bank account. Such proceeds of sale will be paid net of all deductions for costs and expenses incurred in respect of currency conversion and related transfers. Such proceeds of the sale will have been divided by total number of such Lonmin Shares sold and distributed pro rata. Any sums retained as a result of the rounding down of such pro-rata entitlements will be donated to charity.

There can be no certainty as to the market price of the New Sibanye-Stillwater Shares at the time of sale.

If Link Investor Services and/or Equiniti (as applicable) cannot perform any of the services under the terms and conditions of the Dealing Facility due to circumstances beyond their reasonable control, they will not be liable for any non-performance of such services. Nothing in the terms and conditions of the Dealing Facility is intended to confer on an Eligible Dealing Facility Participant nor Link Investor Services nor Equiniti nor any other person any rights whatsoever against Lonmin or Sibanye-Stillwater, and neither Lonmin nor Sibanye-Stillwater shall be held responsible or liable in any respect in connection with the Dealing Facility or its terms and conditions.

The terms and conditions of the Dealing Facility are governed by South African law.

A full copy of the terms and conditions of the Dealing Facility has been provided with this document to Eligible Dealing Facility Participants as at the date of this document and is available on Lonmin's website at <https://www.lonmin.com/investors/sibanye-stillwater-offer> and on Sibanye-Stillwater's website at <https://www.sibanyestillwater.com/investors/transactions/lonmin>.

### **3. FRACTIONAL ENTITLEMENTS**

#### ***Treatment of fractional entitlements (if any) to New Sibanye-Stillwater Shares in respect of Lonmin Shares***

No entitlements to a fraction of a New Sibanye-Stillwater Share shall be allotted or issued to a Lonmin Shareholder or Underlying SA Shareholder (as applicable). Under the revised terms of the Transaction, due to the 1:1 Revised Exchange Ratio, it is expected that no fractional entitlements to New Sibanye-Stillwater Shares will arise. In the event any fractional entitlements were to arise, the aggregated number of New Sibanye-Stillwater Shares to which Lonmin Shareholders and Underlying SA Shareholders (as applicable) would be entitled will be calculated in whole numbers of New Sibanye-Stillwater Shares, resulting in allocations of whole numbers of New Sibanye-Stillwater Shares only and a cash payment would be made to the relevant Lonmin Shareholder or Underlying SA Shareholder (as applicable) in due proportions in South African Rand (rounded down to the nearest ZAR cent) in respect of the fraction to which they otherwise would have been entitled. The cash payment due to the relevant Lonmin Shareholder or Underlying SA Shareholder (as applicable) would be determined with reference to the volume weighted average price in Rand of a Sibanye-Stillwater Share traded on the Johannesburg Stock Exchange on the Admission Date, less 10 per cent., which amount would be announced on SENS on the second Business Day following the Admission Date.

Upon Admission, Computershare would arrange to sell the surplus New Sibanye-Stillwater Shares in the open market. The price which its CSDPs and brokers are able to achieve on the sale of the New Sibanye-Stillwater Shares would not affect the amount of the cash payment due to Lonmin Shareholders or Underlying SA Shareholders (as applicable) as determined in accordance with these fractional entitlement principles.

Lonmin Shareholders registered on the South African Register as at the Scheme Record Time and Underlying SA Shareholders as at the JSE Record Date would, as required by the South African Exchange Control Regulations, receive any cash proceeds due to them under the terms of the Scheme in South African Rand (rounded down to the nearest ZAR cent). Lonmin Shareholders registered on the UK Register as at the Scheme Record Time would receive any cash proceeds due to them under the terms of the Scheme in Sterling, such cash proceeds having been converted from South African Rand using an exchange rate (rounded down to two decimal places) that is determined by Computershare (as Sibanye-Stillwater's nominee) and paid (after the deduction of all costs and expenses incurred in respect of currency conversion and related transfers) to each relevant Lonmin Shareholder in due proportions, rounded down to the nearest Sterling penny.

Any sums retained by Sibanye-Stillwater (or its nominee(s)) owing to rounding down of cash payments to the nearest Sterling penny would be donated to charity.

#### ***Settlement of fractional entitlements proceeds (if any) and any proceeds due to Overseas Shareholders***

Under the revised terms of the Transaction, due to the 1:1 Revised Exchange Ratio, it is expected that no fractional entitlements to the New Sibanye-Stillwater Shares will arise but, in the event they were to arise, any entitlement to a cash payment in respect of fractions of New Sibanye-Stillwater Shares (or cash payments for Overseas Shareholders for the purposes of clause 3.1 of the Scheme) would be actioned in the manner described below.

##### **(A) Underlying SA Shareholders through the Strate system**

In respect of Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system at the JSE Record Date, Sibanye-Stillwater would procure that Computershare, taking into account any applicable requirements of the South African Exchange Control Regulations, is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the Strate system assured payment arrangements for the sums payable, provided that Sibanye-Stillwater reserves the right to make payment of the said sums by cheque if, for reasons outside its reasonable control, it is not able to effect such settlement in this manner.

Payments by CSDPs or brokers to Underlying SA Shareholders would, taking into account any applicable requirements of the South African Exchange Control Regulations, be made in accordance with the terms of the custody agreement and other mandates entered into between the Underlying SA Shareholder and their CSDP or broker. Underlying SA Shareholders can contact their CSDP or broker for further information in this regard. None of Lonmin nor Sibanye-Stillwater nor their respective agents would have any liability to Underlying SA Shareholders in the event that an Underlying SA Shareholder does not receive payment from their CSDP or broker and the creation of an assured payment obligation in accordance with the Strate system assured payment arrangements would be a complete discharge of Sibanye-Stillwater's payment obligations in respect of Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system as at the JSE Record Date.

##### **(B) Lonmin Shareholders on the UK Register who hold in uncertificated form through CREST**

In respect of Lonmin Shareholders whose Lonmin Shares are held on the UK Register in uncertificated form through CREST at the Scheme Record Time, Sibanye-Stillwater would procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with CREST's assured payment arrangements for the sums payable, provided that Sibanye-Stillwater reserves the right to make payment of the said sums by cheque as set out above if, for reasons outside its reasonable control, it is not able to effect such settlement in this manner.

**(C) Lonmin Shareholders on the UK Register and the South African Register holding in certificated form**

In respect of Lonmin Shareholders whose Lonmin Shares are held in certificated form:

- (i) on the UK Register at the Scheme Record Time, Sibanye-Stillwater would procure the despatch to the Lonmin Shareholders of cheques for the cash proceeds payable to them; and
- (ii) on the South African Register at the Scheme Record Time, Sibanye-Stillwater would procure the despatch of cheques, or that an electronic transfer be made, for the cash proceeds payable to them.

Any such cheques in respect of cash proceeds would, in the case of Lonmin Shareholders holding in certificated form:

- (a) on the UK Register at the Scheme Record Time, be paid in Sterling by cheque drawn on a branch of a clearing bank in the United Kingdom (or such other method as may be approved by the Panel); and
- (b) on the South African Register at the Scheme Record Time, be paid in South African Rand drawn on a branch of a clearing bank in South Africa (or such other method as may be approved by the Panel).

To the extent that any payments are to be made by way of cheque, delivery of such cheques shall be effected by sending the same:

- (a) in respect of Lonmin Shareholders on the UK Register as at the Scheme Record Time, by first class post (or international standard post, if overseas) (or such other method as may be approved by the Panel); and
- (b) in respect of Lonmin Shareholders or Underlying SA Shareholders on the South African Register as at the Scheme Record Time, by standard post (or such other method as may be approved by the Panel),

in each case, in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the Lonmin Register of Members as at the Scheme Record Time (and, in the case of joint Holders, at the address of the one of joint Holders whose name stands first in the Lonmin Register of Members in respect of such joint holding at the Scheme Record Time.

None of Lonmin nor Sibanye-Stillwater nor any person appointed by Sibanye-Stillwater nor their directors, employees, representatives, officers, nominee(s) nor their respective agents would be responsible for any loss or delay in the transmission or delivery of any cheques or electronic payments sent or made in accordance with this paragraph 3, which would be sent at the risk of the persons so entitled.

## PART VI

### FINANCIAL INFORMATION RELATING TO THE SIBANYE-STILLWATER GROUP

#### Part A: Financial information relating to the Sibanye-Stillwater Group incorporated by reference

The following sets out the financial information in respect of Sibanye-Stillwater required by Rule 24.3 of the Takeover Code. The documents referred to below, the contents of which have previously been announced through SENS, are incorporated by reference into this document as required by Rule 24.15 of the Takeover Code.

<u>Financial information incorporated by reference</u>	<u>Reference</u>
Annual financial report for the year ended 31 December 2018	<p><a href="https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2018">https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2018</a></p> <p>The audited consolidated financial statements of the Sibanye-Stillwater Group for the financial year ended 31 December 2018 are set out on pages 40 to 104 (inclusive) in the annual financial report for the financial year ended 31 December 2018, available from Sibanye-Stillwater's website at the link referred to above.</p>
Annual financial report for the year ended 31 December 2017	<p><a href="https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2017">https://www.sibanyestillwater.com/investors/financial-reporting/annual-reports/2017</a></p> <p>The audited consolidated financial statements of the Sibanye-Stillwater Group for the financial year ended 31 December 2017 are set out on pages 41 to 100 (inclusive) in the annual financial report for the financial year ended 31 December 2017, available from Sibanye-Stillwater's website at the link referred to above.</p>

To obtain a hard copy of any of the information listed below as having been incorporated by reference into this document contact Equiniti, the UK Registrar, on 0333-207-5963 (within the United Kingdom) or +44 121-415-0088 (outside the United Kingdom). You will not receive a hard copy of this information unless you so request.

#### Part B: Credit ratings information relating to the Sibanye-Stillwater Group

Sibanye-Stillwater is assigned a long-term issuer credit rating of "B+" with a "positive" outlook by Standard & Poor's. This rating has not changed since the commencement of the Offer Period.

Prior to the commencement of the Offer Period, Sibanye-Stillwater was assigned a corporate family rating ("CFR") of "Ba2" with a "Stable" outlook by Moody's. On 19 February 2019, Moody's downgraded Sibanye-Stillwater's CFR rating to "Ba3" with a "Negative" outlook. The reasons for downgrade, as explained by Moody's in its update published on 22 February 2019, were, in summary, as follows: (i) its view of increasing downside risks for Sibanye-Stillwater's credit profile due to challenging operating conditions in South Africa and increasing refinancing risks given the ZAR Revolving Credit Facility matures in November 2019; and (ii) an improvement in credit metrics as previously anticipated by Moody's would take longer than expected as a result of the underperformance in Sibanye-Stillwater's South African gold operations due to the safety incidents that occurred in the first half of 2018 and AMCU's strike action.

#### No incorporation of website information

Save as expressly referred to herein, neither the content of Sibanye-Stillwater's website, nor the contents of any website accessible from the hyperlinks on Sibanye-Stillwater's website, is incorporated into, or forms part of, this document.

## PART VII

### FINANCIAL INFORMATION ON THE LONMIN GROUP

#### Part A: Financial information incorporated by reference

The following sets out the financial information in respect of Lonmin required by Rule 24.3 of the Takeover Code. The documents referred to below, the contents of which have previously been announced through the Regulatory Information Service and SENS, are incorporated by reference into this document as required by Rule 24.15 of the Takeover Code.

The following information is incorporated by reference into this document.

<u>Financial information incorporated by reference</u>	<u>Reference</u>
First quarter 2019 production report and business update	<p><a href="https://thevault.exchange/?get_group_doc=166/1550648423-lonmin-q1-2019-production-report-08022019.pdf">https://thevault.exchange/?get_group_doc=166/1550648423-lonmin-q1-2019-production-report-08022019.pdf</a></p> <p>The Lonmin Group's unaudited production results for the three months to 31 December 2018, and business update, are set out at pages 1 to 10 (inclusive) in the first quarter 2019 production report and business update, available from Lonmin's website at the link referred to above.</p>
Annual report and accounts 2018	<p><a href="https://thevault.exchange/?get_group_doc=166/1548854718-lonmin-AR2018-30012019.pdf">https://thevault.exchange/?get_group_doc=166/1548854718-lonmin-AR2018-30012019.pdf</a></p> <p>The audited consolidated financial statements of the Lonmin Group for the financial year ended 30 September 2018 are set out on pages 107 to 169 (inclusive) in the annual report for the financial year ended 30 September 2018, available from Lonmin's website at the link referred to above.</p>
Annual report and accounts 2017	<p><a href="https://thevault.exchange/?get_group_doc=166/1518160987-lonmin-annual-reports-and-accounts-2017.pdf">https://thevault.exchange/?get_group_doc=166/1518160987-lonmin-annual-reports-and-accounts-2017.pdf</a></p> <p>The audited consolidated financial statements of the Lonmin for the financial year ended 30 September 2017 are set out on pages 116 to 172 (inclusive) in the annual report for the financial year ended 30 September 2017, available from Lonmin's website at the link referred to above.</p>

To obtain a hard copy of any of the information listed below as having been incorporated by reference into this document contact Equiniti, the UK Registrar, on 0333-207-5963 (within the United Kingdom) or +44 121-415-0088 (outside the United Kingdom). You will not receive a hard copy of this information unless you so request.

#### Part B: Credit ratings information relating to the Lonmin Group

There are no ratings or outlooks publicly accorded to Lonmin.

#### No incorporation of website information

Save as expressly referred to herein, neither the content of Lonmin's website, nor the contents of any website accessible from the hyperlinks on Lonmin's website, is incorporated into, or forms part of, this document.

## PART VIII

### TAXATION

#### 1 United Kingdom taxation

The following paragraphs are intended as a general guide only and summarise the United Kingdom tax treatment of the Scheme and the holding and disposal of the New Sibanye-Stillwater Shares issued in connection with the Scheme. The information provided is based on the current law of the United Kingdom and HM Revenue and Customs' current published practice (both of which are subject to change at any time, possibly with retrospective effect) as at the date of this document and is not exhaustive.

The following paragraphs apply only to Scheme Shareholders who (unless the position of non-United Kingdom residents is expressly referred to) are resident, or, if individuals, resident and domiciled in the United Kingdom for United Kingdom tax purposes and to whom split-year treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold their Scheme Shares (or New Sibanye-Stillwater Shares) as investments (otherwise than through an individual savings account or a self-invested personal pension) and who are the absolute beneficial owners of their Scheme Shares (or New Sibanye-Stillwater Shares) and any dividends paid on them. The statements are not intended to apply to certain classes of Scheme Shareholders or holders of New Sibanye-Stillwater Shares, who may be treated differently, such as dealers in securities, insurance companies employees and officers or persons who either, directly or indirectly, control or hold, either alone or together with one or more associated or connected persons, 10 per cent. or more of the entire issued share capital, of the voting power or of the rights to profits or capital, of Lonmin or Sibanye-Stillwater.

**Scheme Shareholders or Sibanye-Stillwater Shareholders who are in any doubt about their taxation position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.**

#### (a) United Kingdom tax consequences of the Scheme

##### *(i) Exchange of Scheme Shares for New Sibanye-Stillwater Shares*

Scheme Shareholders that (together with persons connected with them) own not more than five per cent. of any class of the shares of, or debentures in, Lonmin should not, for the purposes of United Kingdom taxation of chargeable gains, be treated as making a disposal of all or part of their holding of Scheme Shares which are transferred under the Scheme. Instead, "roll-over" treatment should apply which means that the New Sibanye-Stillwater Shares issued in consideration for the transfer of Scheme Shares should be treated as the same asset (and as having been acquired at the same time and for the same consideration) as the transferred Scheme Shares. The New Sibanye-Stillwater Shares should therefore have the same base cost as the Scheme Shares that they replace.

If a Scheme Shareholder alone or together with persons connected with that Scheme Shareholder, holds more than five per cent. of any class of the shares of, or debentures in, Lonmin, such a Scheme Shareholder will be eligible for the "roll-over" treatment described above only if the Scheme is effected for bona fide commercial reasons and does not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is avoidance of liability to capital gains tax or corporation tax. Such Scheme Shareholders are advised that Lonmin has obtained a clearance (under Section 138 of the Taxation of Chargeable Gains Act 1992) from HM Revenue and Customs that it is satisfied that the Scheme is being effected for bona fide commercial reasons and will not form part of such a tax avoidance scheme or arrangement.

The receipt by a Scheme Shareholder of cash in respect of fractional entitlements to New Sibanye-Stillwater Shares under the Scheme, in the event any fractional entitlements were to arise, will not in practice normally be treated as constituting a part disposal for the purposes of United Kingdom taxation of chargeable gains. Instead, the amount of any payment received by the Scheme Shareholder will be deducted from the base cost of the New Sibanye-Stillwater Shares received. If the amount of any payment received exceeds the Scheme Shareholder's base cost in the New Sibanye-Stillwater Shares, the Scheme Shareholder may elect, in effect, for the base cost to be reduced to nil and the excess of

the payment received over the base cost to be treated as an immediate gain for the purposes of United Kingdom taxation of chargeable gains. In the absence of an election, the receipt of the payment will be treated as a part disposal of the New Sibanye-Stillwater Shares by the Scheme Shareholder.

A subsequent disposal of all or any New Sibanye-Stillwater Shares acquired under the Scheme may result in a liability to United Kingdom taxation depending on the individual circumstances of the Scheme Shareholder (for further information, Scheme Shareholders are referred to paragraph 1(c)(i) of this Part VIII).

*(ii) Stamp duty and stamp duty reserve tax (“SDRT”)*

Sibanye-Stillwater will be responsible for paying any stamp duty or SDRT payable in connection with the transfer of the Scheme Shares to it under the Scheme.

**(b) Dividends on the New Sibanye-Stillwater Shares**

*United Kingdom withholding taxes*

There will be no United Kingdom withholding tax for dividends paid on New Sibanye-Stillwater Shares, but see the comments below in relation to South African withholding tax under paragraph 2(b) of this Part VIII.

*Individuals*

Individual Scheme Shareholders will not be liable to UK income tax on any dividend paid on New Sibanye-Stillwater Shares to the extent that (taking account of any other dividends received in the same tax year) such dividend falls within the first £2,000 of dividend income received by that Scheme Shareholder (the “**Nil Rate Amount**”).

Subject to the availability of any personal allowance and taking account of any other dividends received by that Scheme Shareholder in the same tax year, an individual Scheme Shareholder will currently be subject to UK income tax on the amount (if any) of a dividend paid on New Sibanye-Stillwater Shares in excess of the Nil Rate Amount:

- at the rate of 7.5 per cent., to the extent that such amount falls below the threshold for the higher rate of UK income tax;
- at the rate of 32.5 per cent., to the extent that such amount falls above the threshold for the higher rate of UK income tax but below the threshold for the additional rate of UK income tax; and
- at the rate of 38.1 per cent., to the extent that such amount falls above the threshold for the additional rate of UK income tax.

In each case, in calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual’s income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice of the Scheme Shareholder’s income.

An individual Scheme Shareholder will generally also be entitled to a credit for South African withholding tax against his/her United Kingdom income tax liability (if any) on the gross dividend. The amount of the credit for South African withholding tax is subject to various limits but cannot exceed the lower of:

- the South African withholding tax paid in respect of the dividend (or the amount of the South African withholding tax permitted by the double taxation treaty between the United Kingdom and South Africa); and
- the United Kingdom income tax payable in respect of the dividend.

Therefore, the tax credit available to individual Scheme Shareholders in respect of any South African withholding tax imposed on a dividend paid on their New Sibanye-Stillwater Shares will generally not

exceed 10 per cent. of the declared dividend. This means that, on a declared dividend of 100, the tax credit for South African withholding tax would reduce the United Kingdom income tax liability on the dividend to nil for basic rate taxpayers, from 32.5 to 22.5 for higher rate taxpayers and from 38.1 to 28.1 for additional rate taxpayers.

Details of the South African withholding tax which will be applied to dividends and how to obtain partial relief from South African withholding tax or a refund of South African withholding tax to the extent it exceeds the maximum amount permitted by the double taxation treaty between the United Kingdom and South Africa may be found in paragraph 2 of this Part VIII.

### *Companies*

Scheme Shareholders within the charge to United Kingdom corporation tax which are “small companies” for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 should not be subject to United Kingdom corporation tax on dividends received from Sibanye-Stillwater, provided certain conditions are met (including an anti-avoidance condition).

Other Scheme Shareholders within the charge to United Kingdom corporation tax will not be subject to United Kingdom corporation tax on dividends received from Sibanye-Stillwater so long as the dividends fall within an exempt class and certain conditions are met. For example, dividends paid on shares that are “ordinary shares” and are not “redeemable” (as those terms are used in Chapter 3 of Part 9A of the Corporation Tax Act 2009), and dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital in respect of which the dividend is paid) should generally fall within an exempt class. The exemptions are not comprehensive and are subject to anti-avoidance rules.

If the conditions for exemption are not met or cease to be satisfied, or such a Scheme Shareholder elects for an otherwise exempt dividend to be taxable, the Scheme Shareholder will be subject to United Kingdom corporation tax on dividends received from Sibanye-Stillwater, at the rate of corporation tax applicable to that Scheme Shareholder (currently 19 per cent. for companies paying the full rate of corporation tax), subject to the availability of any credit for any South African tax withheld.

No credit in respect of amounts withheld by Sibanye-Stillwater on account of South African withholding tax will be available to a Scheme Shareholder within the charge to United Kingdom corporation tax where dividends received from Sibanye-Stillwater are not subject to United Kingdom corporation tax. Details of the South African withholding tax which will be applied to dividends and how to obtain partial relief from South African withholding tax or a refund of South African withholding tax to the extent it exceeds the maximum amount permitted by the double taxation treaty between the United Kingdom and South Africa may be found in paragraph 2 of this Part VIII.

## **(c) Disposals of the New Sibanye-Stillwater Shares**

### *(i) Taxation of chargeable gains*

A disposal or deemed disposal of New Sibanye-Stillwater Shares by a Scheme Shareholder who is at any time in the relevant United Kingdom tax year resident in the United Kingdom for tax purposes, may, depending on the Scheme Shareholder’s circumstances and subject to any available exemptions or reliefs, give rise to a chargeable gain or allowable loss for the purposes of United Kingdom taxation of chargeable gains.

### *Individuals*

For individual Scheme Shareholders, the principal factors that will determine the United Kingdom capital gains tax position on a disposal or deemed disposal of New Sibanye-Stillwater Shares are the extent to which the Scheme Shareholder realises any other capital gains in the United Kingdom’s tax year in which the disposal is made, the extent to which the Scheme Shareholder has incurred capital losses in that or earlier United Kingdom tax years, and the level of the annual allowance of tax-free gains in that United Kingdom tax year (the “**annual exempt amount**”). The annual exempt amount is £12,000 for the 2019/2020 United Kingdom tax year.



If, after all allowable deductions, an individual Scheme Shareholder's taxable income for the year exceeds the basic rate United Kingdom income tax limit, a taxable chargeable gain accruing on a disposal or deemed disposal of New Sibanye-Stillwater Shares would be taxed at 20 per cent. Otherwise, such a gain may be taxed at 10 per cent. or a combination of both the 10 per cent. and 20 per cent. rates.

A Scheme Shareholder who is an individual and who has ceased to be resident and (in the case of a cessation prior to the 2013/2014 United Kingdom tax year) ordinarily resident in the United Kingdom for tax purposes for a period of less than five complete tax years and who disposes of New Sibanye-Stillwater Shares during that period may also be liable on his/her return to the United Kingdom to tax on any capital gain realised, subject to any available exemptions or reliefs.

### *Companies*

A disposal or deemed disposal of New Sibanye-Stillwater Shares by a Scheme Shareholder within the charge to United Kingdom corporation tax may give rise to a chargeable gain or allowable loss for the purposes of United Kingdom corporation tax, depending on the circumstances and subject to any available exemptions or reliefs. Corporation tax is charged on chargeable gains at the rate applicable to that company.

Indexation allowance may apply to reduce the amount of the chargeable gain that is subject to corporation tax though the scope of that allowance has been reduced by the Finance Act 2018 which provides that the allowance covers only the period from the date of the acquisition of the asset to 31 December 2017. Indexation allowance may be applied to reduce chargeable gains (but not to create or increase an allowable loss) to the extent that such gains arise due to inflation.

### *(ii) Stamp duty and SDRT*

The following statements about United Kingdom stamp duty and SDRT apply regardless of whether or not a Scheme Shareholder is resident or domiciled in the United Kingdom.

Provided that no shareholder transfers their holding of Sibanye-Stillwater Shares onto any register of members kept in the United Kingdom by or on behalf of Sibanye-Stillwater, no charge to SDRT should arise on any agreement to transfer the New Sibanye-Stillwater Shares.

No United Kingdom stamp duty will be payable on the transfer of the New Sibanye-Stillwater Shares, provided that any instrument of transfer is not executed in the United Kingdom and does not relate to any property situate, or to any matter or thing done or to be done, in the United Kingdom.

## **2 South African tax for United Kingdom residents**

The comments set out below summarise certain South African taxation consequences of the implementation of the Scheme for Scheme Shareholders. They are based on current South African tax law and on the provisions of the double tax treaty between the United Kingdom and South Africa. They are intended as a general guide and apply only to the Scheme Shareholders who are resident in the United Kingdom for the purposes of the double tax treaty between the United Kingdom and South Africa (under United Kingdom tax law, this will include Scheme Shareholders who are resident, or if individuals, resident and domiciled in the United Kingdom for United Kingdom tax purposes) and are not resident in South Africa, who are absolute beneficial owners of their Lonmin Shares (which shares must be registered on the UK Register) or their New Sibanye-Stillwater Shares and who do not carry on any business in South Africa through a permanent establishment or a fixed place of business or a permanent representative in South Africa with which their holdings of Lonmin Shares or their New Sibanye-Stillwater Shares are effectively connected. In addition, these comments: (i) are based on the assumption that the Scheme Shares and Sibanye-Stillwater Shares remain listed on an approved Stock Exchange; and (ii) do not apply to any Lonmin Shareholders who own or control, directly or indirectly, 10 per cent. or more of the share capital or voting rights of Lonmin or Sibanye-Stillwater.

Any Scheme Shareholders who do not fall within the above description or who are in any doubt about their taxation position should consult their own professional advisers immediately.

### **(a) South African tax consequences of the Scheme**

Generally, South African capital gains tax will be payable by a South African non-resident shareholder upon the disposal of the shares where: (i) that shareholder holds 20 per cent. or more of the equity shares in a company that derives 80 per cent. or more of its value from immovable property situated in South Africa; or (ii) the shares are effectively connected with a permanent establishment of that shareholder in South Africa. The “roll-over” relief described in paragraph 4(a) of this Part VIII extends to transferors who are non-residents of South Africa and therefore residents of the United Kingdom may also be entitled to the relief described therein should they comply with the related requirements set out thereunder.

No liability to South African STT will arise in the hands of the Scheme Shareholders in respect of the transfer of the Scheme Shares or the receipt of New Sibanye-Stillwater Shares pursuant to the Scheme.

### **(b) Dividends on New Sibanye-Stillwater Shares**

Dividends distributed by Sibanye-Stillwater are generally subject to South African withholding tax at a rate of 20 per cent. on the amount of the distribution.

UK residents are entitled to partial relief from any such withholding tax under the double tax treaty between the United Kingdom and South Africa which generally provides for a reduced rate of withholding tax of 10 per cent.

To ensure the deduction of withholding tax at a reduced rate where applicable, the Scheme Shareholder will need to file a declaration and undertaking in the prescribed form with the CSDP that holds the applicable New Sibanye-Stillwater Shares prior to the date on which the dividend becomes payable, failing which the dividends tax will be deducted in full.

If the aforesaid declaration and undertaking is not filed prior to the date on which the dividend becomes payable and consequently the full withholding tax is deducted by the CSDP, the amount, which would not have been withheld had that declaration been submitted prior to the payment of the dividend, is refundable to the person to whom the dividend was paid, provided that the affected taxpayer files the requisite declaration and undertaking within three years after the date on which the relevant dividend is paid. Any amount that is refundable, as per the previous statement, must be refunded by the CSDP from any amount of dividends tax to be withheld by the CSDP after receipt of that declaration and undertaking.

### **(c) Disposals of New Sibanye-Stillwater Shares**

Generally, South African capital gains tax will be payable by a South African non-resident shareholder upon the disposal of the shares where: (i) that shareholder holds 20 per cent. or more of the equity shares in a company that derives 80 per cent. or more of its value from immovable property situated in South Africa; or (ii) the shares are effectively connected with a permanent establishment of that shareholder in South Africa.

Where the shareholder is a share trader, the difference between the cost of the New Sibanye-Stillwater Shares and the proceeds received upon their disposal will be subject to income tax

As the New Sibanye-Stillwater Shares will be listed on the Johannesburg Stock Exchange, STT will arise in the hands of the person that holds the New Sibanye-Stillwater Shares in custody in respect of any transfer of New Sibanye-Stillwater Shares at the rate of 0.25 per cent. of the consideration paid for the acquisition of the New Sibanye-Stillwater Shares. STT may be recovered from the person who acquires the New Sibanye-Stillwater Shares.

## **3 South African tax for all other South African non-residents**

The comments set out below summarise certain South African taxation consequences of the implementation of the Scheme for Scheme Shareholders who are South African non-residents and are based on current South African tax law. They are intended as a general guide only and Shareholders are advised to consult their own professional advisers.

#### **(a) South African tax consequences of the Scheme**

Generally, South African capital gains tax will be payable by a South African non-resident shareholder upon the disposal of the shares where: (i) that shareholder holds 20 per cent. or more of the equity shares in a company that derives 80 per cent. or more of its value from immovable property situated in South Africa; or (ii) the shares are effectively connected with a permanent establishment of that shareholder in South Africa.

The “roll-over” relief described under paragraph 4(a) of this Part VIII extends to transferors who are non-residents of South Africa and therefore South African non-resident Shareholders may be entitled to the relief described therein should they comply with the related requirements set out thereunder.

No liability to South African STT will arise in the hands of the Scheme Shareholders in respect of the transfer of the Scheme Shares or the receipt of New Sibanye-Stillwater Shares pursuant to the Scheme.

#### **(b) Dividends on New Sibanye-Stillwater Shares**

Dividends distributed by Sibanye-Stillwater are generally subject to South African withholding tax at a rate of 20 per cent. on the amount of the distribution.

Where a shareholder is a resident of a jurisdiction that is party to a double tax treaty with South Africa, such shareholder may be entitled to partial relief from the dividend withholding tax.

To ensure the deduction of withholding tax at a reduced rate where applicable, a Scheme Shareholder will need to file a declaration and undertaking in the prescribed form with the CSDP that holds the applicable New Sibanye-Stillwater Shares prior to the date on which the dividend becomes payable, failing which the dividends tax will be deducted in full.

If the aforesaid declaration and undertaking is not filed prior to the date on which the dividend becomes payable and consequently the full withholding tax is deducted by the CSDP, the amount, which would not have been withheld had that declaration been submitted prior to the payment of the dividend, is refundable to the person to whom the dividend was paid, provided that the affected taxpayer files the requisite declaration and undertaking within three years after the date on which the relevant dividend is paid. Any amount that is refundable, as per the previous statement, must be refunded by the CSDP from any amount of dividends tax to be withheld by the CSDP after receipt of that declaration and undertaking.

#### **(c) Disposals of New Sibanye-Stillwater Shares**

Generally, South African capital gains tax will be payable by a South African non-resident shareholder upon the disposal of the shares where: (i) that Shareholder holds 20 per cent. or more of the equity shares in a company that derives 80 per cent. or more of its value from immovable property situated in South Africa; or (ii) the shares are effectively connected with a permanent establishment of that Shareholder in South Africa.

Where the shareholder is a share trader, the difference between the cost of the New Sibanye-Stillwater Shares and the proceeds received upon their disposal will be subject to income tax.

As the New Sibanye-Stillwater Shares will be listed on the Johannesburg Stock Exchange, STT will arise in the hands of the person that holds the New Sibanye-Stillwater Shares in custody upon the transfer of the New Sibanye-Stillwater Shares at the rate of 0.25 per cent. of the consideration paid for the acquisition of the New Sibanye-Stillwater Shares. The STT paid may be recovered from the person who acquires the New Sibanye-Stillwater Shares.

### **4 South African taxation**

The following paragraphs are intended as a general guide only and summarise the South African tax treatment of the Scheme and the holding and disposal of the New Sibanye-Stillwater Shares issued in connection with the Scheme. The information provided is based on the current law of South Africa.

This guide applies only to Scheme Shareholders who: (i) are residents of South Africa for tax purposes; (ii) hold their Lonmin Shares (and will hold their New Sibanye-Stillwater Shares) on capital account; and (iii) are the beneficial owners of those shares and any dividends paid in respect of them. The guide is not intended to apply to Lonmin Shareholders or Sibanye-Stillwater Shareholders who may be treated differently, such as share traders, insurance companies, pension funds or collective investment schemes.

**Lonmin Shareholders or Sibanye-Stillwater Shareholders should consult their own professional advisers in relation to the Scheme and their holding and disposal of the New Sibanye-Stillwater Shares**

**(a) South African tax consequences of the Scheme**

*(i) Exchange of Lonmin Shares for New Sibanye-Stillwater Shares*

Provided that: (i) the market value of the Lonmin Shares exchanged for New Sibanye-Stillwater Shares in terms of the Scheme exceeds the base cost of the Lonmin Shares in the hands of the applicable Scheme Shareholder; and (ii) the relevant Scheme Shareholder holds at least one New Sibanye-Stillwater Share (a “**qualifying interest**”) at the close of the day on which the exchange occurs, that exchange will qualify for “roll-over” relief. The effect of the “roll-over” relief is so that the Scheme Shareholder will be deemed: (i) to have disposed of each Lonmin Share for proceeds equal to its base cost (so that no capital gains tax will become payable as a result of the exchange); and (ii) to have acquired the New Sibanye-Stillwater Shares at a base cost equal to the base cost of the Lonmin Shares.

If: (i) the market value of the Lonmin Share exchanged for a New Sibanye-Stillwater Share in terms of the Scheme is less than the base cost of that Lonmin Share; or (ii) the relevant Scheme Shareholder immediately disposes of the New Sibanye-Stillwater Shares such that the Scheme Shareholder does not hold a qualifying interest in Sibanye-Stillwater at the close of the day on which the exchange occurs, the “roll-over” relief will not apply and the Scheme Shareholder will be deemed to have disposed of its Lonmin Shares for disposal proceeds equal to their market value.

The sale of fractional entitlements, in the event any fractional entitlements were to arise, to New Sibanye-Stillwater Shares under the Scheme should be treated as a disposal of those entitlements and will be subject to capital gains tax where the New Sibanye-Stillwater Shares are held on capital account, or subject to income tax where the New Sibanye-Stillwater Shares are held on revenue account. As the sale of the fractional entitlements, in the event any fractional entitlements were to arise, would be cash settled, the tax “roll-over” relief provisions would not be applicable.

The tax “roll-over” relief provisions are automatically applicable where the transaction qualifies for the “roll-over” relief. The default position is therefore that the tax “roll-over” relief provisions will be applied where the requirements are satisfied, and in the event that a Lonmin Shareholder elects to opt-out of the tax “roll-over” relief provisions, such election should be communicated to Lonmin in writing by no later than the Effective Date.

*(ii) Securities transfer tax*

If the transfer of the Scheme Shares under the Scheme qualifies for the tax “roll-over” relief as described in paragraph 4(a)(i) of this Part VIII (i.e. if all of the requirements for the application of the tax “roll-over” relief provisions are met), such transfer will be exempt from STT.

If the transfer of the Scheme Shares under the Scheme does not qualify for the tax “roll-over” relief as described in paragraph 4(a)(i) of this Part VIII, STT will become payable in respect of the transfer of those Lonmin Shares acquired under the Scheme. The CSDP that effects the transfer of those Lonmin Shares on which STT is payable will be liable to pay the relevant STT amount, however, the CSDP will be entitled to recover the relevant STT amounts from Sibanye-Stillwater.

**(b) Dividends on the New Sibanye-Stillwater Shares**

Dividends paid in respect of the New Sibanye-Stillwater Shares are potentially subject to two taxes, namely: (i) “normal tax” levied on a taxpayer’s taxable income; and (ii) “dividends tax”.

Dividends paid by resident companies, such as Sibanye-Stillwater, are generally exempt from normal tax. Such exemption is, however, subject to certain provisos which depend on the individual circumstances of the Scheme Shareholder.

Dividends paid in respect of the New Sibanye-Stillwater Shares will be subject to dividends tax at the rate of 20 per cent., except if the beneficial owner of those dividends is exempt from that tax. Beneficial owners that are exempt from dividends tax include companies that are South African tax residents, South African pension funds and public benefit organisations. Natural persons and trusts are not exempt from dividends tax.

An amount equal to the dividends tax is withheld from the applicable dividends by the CSDP that holds the applicable New Sibanye-Stillwater Shares. A beneficial owner who is exempt from dividends tax must file a declaration and undertaking to such effect with the applicable participant, prior to the date of payment of the applicable dividend, failing which dividends tax will be deducted in full.

If the aforesaid declaration and undertaking is not filed prior to the date on which the dividend becomes payable and consequently the full withholding tax is deducted by the CSDP, that portion of the withheld amount which would not have been withheld had the declaration been filed prior to the dividend payment is refundable to the person to whom the dividend was paid provided the relevant taxpayer files the requisite declaration and undertaking within three years after the date on which the relevant dividend is paid. Any amount that is refundable as per the previous sentence must be refunded by the CSDP from any amounts withheld by the CSDP on account of payment of dividends tax after receipt of that declaration and undertaking.

### **(c) Disposal of the New Sibanye-Stillwater Shares**

Any subsequent disposal of any New Sibanye-Stillwater Shares acquired under the Scheme will be subject to capital gains tax where such disposal is carried out outside of the tax “roll-over” relief provisions.

Where the tax “roll-over” relief provisions are applied to the acquisition of the New Sibanye-Stillwater Shares, and the New Sibanye-Stillwater Shares are disposed of within a period of 18 months, and: (i) more than 50 per cent. of the market value of the Scheme Shares disposed of by the Scheme Shareholder is attributable to allowance assets or trading stock; and (ii) the consideration received upon the disposal of the New Sibanye-Stillwater Shares is less than or equal to the market value of the New Sibanye-Stillwater Shares at the beginning of the 18-month period, the amount of the consideration received by the Scheme Shareholder will be included in their income and be taxable.

STT will become payable in respect of any subsequent disposal of any New Sibanye-Stillwater Shares acquired under the Scheme. The CSDP that effects the transfer of the applicable shares will be liable for that STT but the CSDP is entitled to recover the STT from the transferee of those shares.

## **5 Lonmin ADSs**

Holders of Lonmin ADSs should consult their own professional advisers in relation to the Transaction and its taxation implications for them.

## PART IX

### ADDITIONAL INFORMATION

#### 1. RESPONSIBILITY

- (a) The Lonmin Directors, whose names are set out in paragraph 2(b) of this Part IX, accept responsibility for the information (including any expressions of opinion and all information in respect of Lonmin which has been incorporated by reference into this document) contained in this document, other than information (and expressions of opinion) for which responsibility is taken by others pursuant to paragraph 1(b) of this Part IX. To the best of the knowledge and belief of the Lonmin Directors (who have taken all reasonable care to ensure that such is the case), the information (and expressions of opinion) contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information (including any expressions of opinion).
- (b) The directors of Sibanye-Stillwater, whose names are set out in paragraph 2(e) of this Part IX, accept responsibility for the information (including any expressions of opinion) contained in this document relating to the Sibanye-Stillwater Group, including, but not limited to Sibanye-Stillwater's intentions and strategic plans for Lonmin and the Enlarged Sibanye-Stillwater Group, the undertakings and conditions imposed by the SA Competition Tribunal, Sibanye-Stillwater's reasons for the Transaction, the synergy potential of the Transaction as identified by Sibanye-Stillwater (including the information (and expressions of opinion) contained in the Revised Quantified Financial Benefits Statement set out in Appendix 1 to this document), the financial effects of the Transaction, offer-related arrangements entered into by Sibanye-Stillwater, the financial information in respect of Sibanye-Stillwater incorporated by reference into this document, credit ratings information relating to the Sibanye-Stillwater Group, material contracts entered into by Sibanye-Stillwater and members of the Sibanye-Stillwater Group, Sibanye-Stillwater's estimated fees and expenses, information relating to the directors of Sibanye-Stillwater and their respective close relatives and related trusts and other connected persons and persons deemed to be acting in concert with Sibanye-Stillwater (as such term is defined in the Takeover Code). To the best of the knowledge and belief of the directors of Sibanye-Stillwater (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information (including any expressions of opinion).

#### 2. DIRECTORS AND REGISTERED OFFICES

- (a) The principal and registered office of Lonmin is at Connaught House 5<sup>th</sup> Floor, 1-3 Mount Street, London, W1K 3NB, United Kingdom. The Company Secretary of Lonmin is Seema Kamboj.
- (b) The Lonmin Directors and their respective functions are:

<u>Name</u>	<u>Position Held</u>
Brian Beamish	<i>Non-Executive Chairman</i>
Ben Magara	<i>Chief Executive Officer</i>
Barrie van der Merwe	<i>Chief Financial Officer</i>
Jonathan Leslie	<i>Senior Independent Non-Executive Director</i>
Kennedy Bungane	<i>Non-Executive Director</i>
Gillian Fairfield	<i>Independent Non-Executive Director</i>
Sizwe Nkosi	<i>Non-Executive Director</i>
Varda Shine	<i>Independent Non-Executive Director</i>

- (c) Sibanye Gold Limited, trading as Sibanye-Stillwater, is a public limited company incorporated under the laws of South Africa.
- (d) The principal and registered office of Sibanye-Stillwater is at Constantia Office Park, Cnr 14<sup>th</sup> Avenue & Hendrik Potgieter Road, Bridgeview House, Ground Floor (Lakeview Avenue), Weltevreden Park, 1709, South Africa. The Company Secretary of Sibanye-Stillwater is Lerato Matlosa.

(e) The directors of Sibanye-Stillwater and their respective functions are:

<u>Name</u>	<u>Position Held</u>
Sello Moloko	<i>Chairman</i>
Neal Froneman	<i>Chief Executive Officer</i>
Charl Keyter	<i>Chief Financial Officer</i>
Barry Davison <sup>5</sup>	<i>Independent Non-Executive Director</i>
Jerry Vilakazi	<i>Independent Non-Executive Director</i>
Keith Rayner	<i>Independent Non-Executive Director</i>
Nkosemntu Nika	<i>Independent Non-Executive Director</i>
Richard Menell	<i>Independent Non-Executive Director</i>
Savannah Danson	<i>Independent Non-Executive Director</i>
Susan van der Merwe	<i>Independent Non-Executive Director</i>
Timothy Cumming	<i>Independent Non-Executive Director</i>
Harry Kenyon-Slaney <sup>6</sup>	<i>Independent Non-Executive Director</i>

### 3. SUBSTANTIAL SHAREHOLDERS OF SIBANYE-STILLWATER

The following Sibanye-Stillwater Shareholders have pre-existing interests in Sibanye-Stillwater which would create potential indirect interests of five per cent. or more in the capital of Lonmin following Completion:

<u>Name</u>	<u>Number of Sibanye-Stillwater relevant securities held<sup>(i)</sup></u>	<u>Percentage of existing ordinary share capital of Sibanye-Stillwater</u>
Baiyin Nonferrous Group Co., Ltd <sup>(ii)</sup> . . . . .	450,339,942	18.92 %
Public Investment Corporation (SOC) Limited <sup>(iii)</sup> . . . . .	244,125,062	10.26%
EXOR Investments (UK) LLP <sup>(iv)</sup> . . . . .	183,481,372	7.71%
Investec Asset Management Limited <sup>(v)</sup> . . . . .	190,119,109	7.99%

Notes:

- (i) Figures are shown for ordinary shares in Sibanye-Stillwater and include Sibanye-Stillwater American depositary shares represented by ordinary shares in Sibanye-Stillwater. Each Sibanye-Stillwater American depositary share represents four ordinary shares in Sibanye-Stillwater.
- (ii) Baiyin Nonferrous Group Co Ltd is a Chinese listed company which engages in the exploration and development of nonferrous metals. Baiyin Nonferrous Group Co., Ltd holds the majority of its interest in Sibanye-Stillwater through its indirect majority-owned subsidiary Gold One South Africa SPV (RF) (Pty) Ltd., which engages in developing and mining gold prospects. The remaining interest is held through other wholly-owned subsidiaries of Baiyin Nonferrous Group Co., Ltd, being BCX Gold Investment Holdings Limited and Baiyin International Investment Ltd.
- (iii) Established in 1911, the Public Investment Corporation (SOC) Limited is one of the largest investment managers in Africa today, managing assets of c.R2.083 trillion. Public Investment Corporation (SOC) Limited, a registered financial services provider, is wholly owned by the South African Government, with the Minister of Finance as shareholder representative.
- (iv) EXOR Investments (UK) LLP is an investment manager controlled by the Agnelli family. It invests in mature companies and makes long term investments focused on companies in diversified sectors.
- (v) Investec Asset Management Limited is an international specialist banking and asset management group. It provides a range of financial products and services in the Europe, Southern Africa and Asia-Pacific. Investec Asset Management Limited is part of the Investec group, which is listed on the London Stock Exchange and the Johannesburg Stock Exchange.

<sup>5</sup> On 15 March 2019, it was announced that Barry Davison will resign at the annual general meeting of Sibanye-Stillwater scheduled for 28 May 2019.

<sup>6</sup> Harry Kenyon-Slaney was appointed as an Independent Non-Executive Director of Sibanye-Stillwater with effect from 16 January 2019.

#### 4. MIDDLE MARKET QUOTATIONS

The following table sets out the closing middle market quotations for Lonmin Shares and Sibanye-Stillwater Shares as derived from the Daily Official List and Bloomberg, respectively, on:

- (i) 13 December 2017 (being the last Business Day prior to the commencement of the Offer Period);
- (ii) the first Business Day of each of the six months immediately prior to the date of this document; and
- (iii) the Last Practicable Date.

<u>Date</u>	<u>Lonmin</u>	<u>Sibanye-Stillwater</u>
	Share price (p)	Share price (ZAR)
13 December 2017 .....	63.75	16.11
1 November 2018 .....	46.40	9.25
3 December 2018 .....	44.00	8.60
2 January 2019 .....	47.12	10.68
1 February 2019 .....	54.30	12.10
1 March 2019 .....	71.40	15.58
1 April 2019 .....	72.00	15.35
23 April 2019 .....	73.30	14.33

Past performance of securities is no guide to their future performance and the information provided in this paragraph 4 is historical and not forward-looking.

#### 5. INTERESTS AND DEALINGS IN SHARES AND PERSONS ACTING IN CONCERT

##### (a) *Definitions and references*

For the purposes of this Part IX:

- (i) “**acting in concert**” with Sibanye-Stillwater or Lonmin, as the case may be, means any such person acting or deemed to be acting in concert with Sibanye-Stillwater or Lonmin, as the case may be, for the purposes of the Takeover Code;
- (ii) “**arrangement**” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing, (other than irrevocable commitments to vote in favour of the Scheme and/or related resolutions, details of which are set out in paragraph 5(f) of this Part IX);
- (iii) “**dealing**” or “**dealt**” includes:
  - (aa) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of relevant securities;
  - (bb) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
  - (cc) subscribing or agreeing to subscribe for relevant securities;
  - (dd) the exercise or conversion, whether in respect of new or existing securities, of any relevant securities carrying conversion or subscription rights;
  - (ee) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
  - (ff) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities;
  - (gg) the redemption or purchase of, or taking or exercising an option over, any of its own relevant securities by Sibanye-Stillwater or Lonmin; and
  - (hh) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he/she has a short position;



- (iv) “**derivative**” means any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (v) “**disclosure period**” means the period commencing on 14 December 2016 (being the date 12 months prior to the commencement of the Offer Period) and ending on the Last Practicable Date;
- (vi) “**interested**” in securities includes if a person:
- (aa) owns them;
  - (bb) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
  - (cc) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire them or call for their delivery, or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
  - (dd) is party to any derivative whose value is determined by reference to their price; and which results, or may result, in his/her having a long position in them; or
  - (ee) has long economic exposure, whether absolute or conditional, to changes in the price of those securities (but a person who only has a short position in securities is not treated as interested in those securities);
- and references to interests of Sibanye-Stillwater directors or interests of Lonmin Directors in relevant securities shall include all interests of any other person whose interests in shares the Sibanye-Stillwater directors or, as the case may be, the Lonmin Directors, are taken to be interested in pursuant to Part 22 of the UK Companies Act;
- (vii) “**Lonmin relevant securities**” means relevant securities of Lonmin (such term having the meaning set out in the Takeover Code in relation to the offeree), including Lonmin Shares and securities of Lonmin carrying conversion or subscription rights into Lonmin Shares’
- (viii) “**Sibanye-Stillwater relevant securities**” means relevant securities of Sibanye-Stillwater (such term having the meaning given to it in the Takeover Code in relation to the offeror), including Sibanye-Stillwater Shares and securities of Sibanye-Stillwater carrying conversion or subscription rights into Sibanye-Stillwater Shares; and
- (ix) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

*(b) Interests in Lonmin relevant securities*

As at the close of business on the Last Practicable Date:

- (i) the following Lonmin Directors (including members of their immediate families, close relatives and related trusts) were interested in, had a right to subscribe for or a short position in certain Lonmin relevant securities. The nature of the interests or rights concerned and the number of Lonmin relevant securities to which these apply are listed below:

<u>Director</u>	<u>Nature of interest</u>	<u>Number of Lonmin relevant securities</u>
Brian Beamish . . . . .	Ordinary shares	14,100
Jonathan Leslie . . . . .	Ordinary shares	6,851
Ben Magara . . . . .	Ordinary shares	30,836
Varda Shine . . . . .	Ordinary shares	17,037

- (ii) the following options and awards over Lonmin relevant securities had been granted to the Lonmin Directors under the Lonmin Share Plans:

<u>Director</u>	<u>Scheme Name</u>	<u>Exercise period</u>	<u>Exercise price (p)</u>	<u>Number of Lonmin Shares under option</u>
Ben Magara . . . . .	ASAP	9 December 2016 to 9 December 2023	Nil	2,622
	ASAP	10 January 2020 to 10 January 2027	Nil	240,027
	ASAP	27 March 2021 to 27 March 2028	Nil	370,994
	ASAP	12 December 2021 to 12 December 2028	Nil	924,621
Barrie van der Merwe . . . . .	LTIP	13 April 2022	Nil	597,015
	ASAP	10 January 2020 to 10 January 2027	Nil	51,932
	ASAP	27 March 2021 to 27 March 2028	Nil	193,831
	ASAP	12 December 2021 to 12 December 2028	Nil	458,780
	LTIP	13 April 2022	Nil	317,792

- (iii) the following persons acting in concert with Lonmin were interested in, had rights to subscribe for or a short position in certain Lonmin relevant securities. The nature of the interest or rights concerned and the number of Lonmin relevant securities to which these apply are listed below:

<u>Party</u>	<u>Nature of interest</u>	<u>Number of Lonmin relevant securities</u>
Gleacher Shacklock . . . . .		Nil
JPMorgan Chase Bank, National Association (Custody) . . . . .	Equity common shares (Long)	45
Moshe Capital . . . . .		Nil

- (iv) none of Sibanye-Stillwater, the directors of Sibanye-Stillwater (including members of their immediate families, close relatives and related trusts) were interested in, had a right to subscribe for or a short position in any Lonmin relevant securities; and
- (v) the following persons acting in concert with Sibanye-Stillwater were interested in, had a right to subscribe for or a short position in certain Lonmin relevant securities. The nature of the interests or rights concerned and the number of Lonmin relevant securities to which these apply are listed below:

<u>Party</u>	<u>Nature of interest</u>	<u>Number of Lonmin relevant securities</u>
UBS . . . . .		Nil
HSBC Broking Securities (Asia) Limited . . . . .	Ordinary shares	2
Qinisele Resources . . . . .		Nil

(c) *Interests in Sibanye-Stillwater relevant securities*

As at the close of business on the Last Practicable Date:

- (i) the following directors of Sibanye-Stillwater (including members of their immediate families, close relatives and related trusts) were interested in, had rights to subscribe for or a short position in certain Sibanye-Stillwater relevant securities. The nature of the interests or rights concerned and the number of Sibanye-Stillwater relevant securities to which these apply are listed below:

<u>Party</u>	<u>Nature of interest</u>	<u>Number of Sibanye-Stillwater relevant securities</u>
Mr Barry Davison	Ordinary shares	1,567,710
Mr Charl Keyter	Ordinary shares	1,530,119
Mr Keith Rayner	Ordinary shares	68,992
Mr Neal Froneman	Ordinary shares	4,555,954 <sup>7</sup>
	Short positions	4,262,348 <sup>8</sup>
Mr Richard Menell	Ordinary shares	108,625
Mr Sello Moloko	Ordinary shares	111,534
Ms Susan van der Merwe	Ordinary shares	1,027
Mr Timothy Cumming	Ordinary shares	106

- (ii) the following options and awards over Sibanye-Stillwater relevant securities had been granted to the directors of Sibanye-Stillwater under the Sibanye-Stillwater 2013 Share Plan and the Sibanye-Stillwater 2017 Share Plan:

<u>Director</u>	<u>Exercise period</u>	<u>Exercise price (ZAR)</u>	<u>Number of Sibanye-Stillwater relevant securities under option</u>
Neal Froneman (performance shares) . . .	28 February 2019	Nil	946,489
	29 February 2020	Nil	2,092,222
	31 March 2021	Nil	4,440,824
Charl Keyter (performance shares) . . . . .	28 February 2019	Nil	430,082
	29 February 2020	Nil	1,060,261
	31 March 2021	Nil	2,261,131
Neal Froneman (bonus shares) . . . . .	31 March 2021	Nil	285,959
Charl Keyter (bonus shares) . . . . .	31 March 2021	Nil	140,114

- (iii) the following persons acting in concert with Sibanye-Stillwater were interested in, had rights to subscribe for or a short position in certain Sibanye-Stillwater relevant securities. The nature of the interest or rights concerned and the number of Sibanye-Stillwater relevant securities to which these apply are listed below:

<u>Party</u>	<u>Nature of interest</u>	<u>Number of Sibanye-Stillwater relevant securities</u>
UBS . . . . .	Nil	Nil
HSBC . . . . .	Nil	Nil
Qinisele Resources . . . . .	Nil	Nil

- (iv) neither Lonmin or the Lonmin Directors (including members of their immediate families, close relatives and related trusts) were interested in, had rights to subscribe for or a short position in any Sibanye-Stillwater relevant securities; and

<sup>7</sup> Includes Sibanye-Stillwater American depository shares represented by ordinary shares in Sibanye-Stillwater. Each Sibanye-Stillwater American depository share represents four ordinary shares in Sibanye-Stillwater.

<sup>8</sup> As announced on 25 June 2018, on 21 June 2018, Neal Froneman entered into an equity funding agreement with a financial institution which consisted of an off-market purchase by him of European Style put options over 4,262,348 Sibanye-Stillwater Shares held by him. The strike price is R8.36 and the put option expires on 22 June 2020. These instruments were acquired in order to manage the risk arising under an existing loan obligation, by ensuring a floor price while retaining full upside exposure to the share price.

- (v) the following persons acting in concert with Lonmin were interested in, had rights to subscribe for or a short position in certain Sibanye-Stillwater relevant securities. The nature of the interests or rights concerned and the number of Sibanye-Stillwater relevant securities to which these apply are listed below:

<u>Party</u>	<u>Nature of interest</u>	<u>Number of Sibanye-Stillwater relevant securities</u>
Gleacher Shacklock . . . . .	Nil	Nil
J.P. Morgan Securities LLC (PCS) . .	Equity depository receipt (Long)	14,760
J.P. Morgan Chase Bank, National Association (Custody) . . . . .	Equity common shares (Long)	44
J.P. Morgan Chase Bank, National Association (Custody) . . . . .	Equity depository receipt (Long)	32
Moshe Capital . . . . .	Nil	Nil

(d) *Dealings in Lonmin relevant securities*

- (i) The following dealings in Lonmin relevant securities (including the exercise of options under the Lonmin Share Plans) by the Lonmin Directors (including members of their immediate families, their close relatives and related trusts) have taken place between the period commencing 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date:

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Lonmin relevant securities</u>	<u>Price per Lonmin relevant security (p)</u>
12 December 2018 . . .	Mr Ben Magara	ASAP award	924,621	Nil
27 March 2018 . . . . .	Mr Ben Magara	ASAP award	370,994	Nil
12 December 2018 . . .	Mr Barrie van der Merwe	ASAP award	458,780	Nil
27 March 2018 . . . . .	Mr Barrie van der Merwe	ASAP award	193,831	Nil

- (ii) No dealings in Lonmin relevant securities by persons acting in concert with Lonmin have taken place between the period commencing 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date.
- (iii) No dealings in Lonmin relevant securities by persons with whom Lonmin or a person acting in concert with Lonmin has an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) have taken place between the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date.
- (iv) No dealings in Lonmin relevant securities by Sibanye-Stillwater, its directors (including members of their immediate families, close relatives and related trusts), persons acting in concert with Sibanye-Stillwater or persons with whom Sibanye-Stillwater or a person acting in concert with Sibanye-Stillwater has an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) have taken place during the disclosure period.
- (v) Lonmin has not redeemed or purchased Lonmin relevant securities in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date.

(e) *Dealings in Sibanye-Stillwater relevant securities*

- (i) No dealings in Sibanye-Stillwater relevant securities by Lonmin or the Lonmin Directors (including members of their immediate families, close relatives and related trusts) have taken place during the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date.

- (ii) The following dealings in Sibanye-Stillwater relevant securities by the following persons acting in concert with Lonmin have taken place during the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date:

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Sibanye-Stillwater relevant securities</u>	<u>Price per Sibanye-Stillwater relevant security (ZAR)</u>
	Gleacher Shacklock	Nil	Nil	Not applicable
9 April 2019	J.P. Morgan Chase Bank, National Association (Custody)	Sale of equity common shares	93	15.95
	Moshe Capital	Nil	0	Not applicable

- (iii) No dealings in Sibanye-Stillwater relevant securities by persons with whom Lonmin or a person acting in concert with Lonmin has an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) have taken place during the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date.

- (iv) The following dealings in Sibanye-Stillwater relevant securities by Sibanye-Stillwater, the directors of Sibanye-Stillwater (including members of their immediate families, close relatives and related trusts), persons acting in concert with Sibanye-Stillwater, and persons with whom Sibanye-Stillwater or persons acting in concert with Sibanye-Stillwater have an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) have taken place during the disclosure period:

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Sibanye-Stillwater relevant securities</u>	<u>Price per Sibanye-Stillwater relevant security (ZAR or US\$, as applicable)</u>
8 March 2017	Mr Charl Keyter	Performance share award	311,720	Nil
8 March 2017	Mr Charl Keyter	Sale of ordinary shares	130,924	R25.3945
9 March 2017	Mr Charl Keyter	Sale of ordinary shares	9,400	R24.7879
9 March 2017	Mr Neal Froneman	Performance share award	906,284	Nil
9 March 2017	Mr Neal Froneman	Sale of ordinary shares	412,530	R24.7879
10 March 2017	Mr Neal Froneman	Performance share option grant	1,299,536	Nil
10 March 2017	Mr Neal Froneman	Bonus share option grant	101,403	Nil
10 March 2017	Mr Charl Keyter	Performance share option grant	658,557	Nil
10 March 2017	Mr Charl Keyter	Bonus share option grant	50,708	Nil
19 May 2017	Mr Keith Rayner	Sale of ordinary shares	10,000	R26.7700
22 May 2017	Mr Keith Rayner	Sale of ordinary shares	20,000	R25.9273
24 May 2017	Mr Neal Froneman	Vesting of rights attaching to non-vested bonus shares with the election to subscribe for rights offer shares	173,371	R11.2800
24 May 2017	Mr Charl Keyter	Vesting of rights attaching to non-vested bonus shares and on market sale of rights	65,196	R7.4148
25 May 2017	Mr Charl Keyter	On market sale of rights	496,000	R7.0600
12 June 2017	Mr Neal Froneman	Subscription for shares arising from Sibanye-Stillwater rights offer	1,669,058	R11.2800
12 June 2017	Mr Keith Rayer	Subscription for shares arising from Sibanye-Stillwater rights offer	19,286	R11.2800
12 June 2017	Mr Charl Keyter	Subscription for shares arising from Sibanye-Stillwater rights offer	328,593	R11.2800
12 June 2017	Mrs Susan van der Merwe	Subscription for shares arising from Sibanye-Stillwater rights offer	545	R11.2800

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Sibanye-Stillwater relevant securities</u>	<u>Price per Sibanye-Stillwater relevant security (ZAR or US\$, as applicable)</u>
12 June 2017 . . . . .	Mr Sello Moloko	Subscription for shares arising from Sibanye-Stillwater rights offer	59,143	R11.2800
12 June 2017 . . . . .	Mr Barry Davison	Subscription for shares arising from Sibanye-Stillwater rights offer	642,857	R11.2800
12 June 2017 . . . . .	Mr Richard Menell	Subscription for shares arising from Sibanye-Stillwater rights offer	57,600	R11.2800
13 June 2017 . . . . .	Mr Keith Rayner	Purchase of ordinary shares	30,000	R16.8800
14 June 2017 . . . . .	Mr Neal Froneman	Subscription for shares arising from Sibanye-Stillwater rights offer	51,829	R11.2800
14 June 2017 . . . . .	Mr Keith Rayner	Subscription for shares arising from Sibanye-Stillwater rights offer	753	R11.2800
26 June 2017 . . . . .	Mr Neal Froneman	Performance and bonus shares supplementary award	1,156,743	Nil
26 June 2017 . . . . .	Mr Charl Keyter	Performance and bonus share supplementary award	561,159	Nil
1 September 2017 . . . .	Mr Neal Froneman	Bonus share award	33,441	Nil
4 September 2017 . . . .	Mr Charl Keyter	Bonus share award	17,112	Nil
4 September 2017 . . . .	Mr Charl Keyter	Sale of ordinary shares	7,827	R21.2700
4 September 2017 . . . .	Mr Barry Davison	Purchase of ordinary shares	335,000	R21.2851
5 September 2017 . . . .	Mr Charl Keyter	Purchase of ordinary shares	96,000	R20.6300
28 September 2017 . . .	Mr Charl Keyter	Purchase of ordinary shares	100,000	R14.7900
3 October 2017 . . . . .	Mr Barry Davison	Capitalisation issue	29,557	Nil
3 October 2017 . . . . .	Mr Timothy Cumming	Capitalisation issue	2	Nil
3 October 2017 . . . . .	Mr Neal Froneman	Capitalisation issue	64,517	Nil
3 October 2017 . . . . .	Mr Charl Keyter	Capitalisation issue	23,318	Nil
3 October 2017 . . . . .	Mr Richard Menell	Capitalisation issue	2,048	Nil
3 October 2017 . . . . .	Mr Sello Moloko	Capitalisation issue	2,102	Nil
3 October 2017 . . . . .	Mr Keith Rayner	Capitalisation issue	1,300	Nil
3 October 2017 . . . . .	Mrs Susan van der Merwe	Capitalisation issue	19	Nil
3 November 2017 . . . . .	Mr Neal Froneman	Bonus shares capitalisation issue	2,028	Nil
3 November 2017 . . . . .	Mr Neal Froneman	Performance shares capitalisation issue	67,823	Nil
3 November 2017 . . . . .	Mr Charl Keyter	Bonus shares capitalisation issue	1,014	Nil
3 November 2017 . . . . .	Mr Charl Keyter	Performance shares capitalisation issue	32,903	Nil
15 December 2017 . . . .	Mr Neal Froneman	Bonus share award	51,715	Nil
18 December 2017 . . . .	Mr Charl Keyter	Bonus share award	25,861	Nil
18 December 2017 . . . .	Mr Charl Keyter	Sale of ordinary shares	11,848	R15.5000
27 February 2018 . . . . .	Mr Neal Froneman	Purchase of ordinary shares	43,490	R11.40
28 February 2018 . . . . .	Mr Neal Froneman	Purchase of ordinary shares	16,624	R11.37
28 February 2018 . . . . .	Mr Neal Froneman	Purchase of ordinary shares	26,936	R11.38
15 March 2018 . . . . .	Mr Charl Keyter	Performance share award	317,476	Nil
15 March 2018 . . . . .	Mr Charl Keyter	Sale of ordinary shares	144,869	R11.33

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Sibanye-Stillwater relevant securities</u>	<u>Price per Sibanye-Stillwater relevant security (ZAR or US\$, as applicable)</u>
27 March 2018	Mr Neal Froneman	Performance share award	696,047	Nil
3 April 2018	Mr Charl Keyter	Performance share award	2,174,164	Nil
3 April 2018	Mr Charl Keyter	Bonus share award	269,450	Nil
5 April 2018	Mr Neal Froneman	Performance share award	4,270,023	Nil
5 April 2018	Mr Neal Froneman	Bonus share award	549,919	Nil
11 April 2018	Mr Barry Davison	Capitalisation issue	60,296	Nil
11 April 2018	Mr Charl Keyter	Capitalisation issue	55,414	Nil
11 April 2018	Mr Keith Rayner	Capitalisation issue	2,653	Nil
11 April 2018	Mr Neal Froneman	Capitalisation issue	165,006	Nil
11 April 2018	Mr Richard Menell	Capitalisation issue	4,177	Nil
11 April 2018	Mr Sello Moloko	Capitalisation issue	4,289	Nil
11 April 2018	Ms Susan van der Merwe	Capitalisation issue	39	Nil
11 April 2018	Mr Timothy Cumming	Capitalisation issue	4	Nil
18 May 2018	Mr Charl Keyter	Granting of share options in respect of performance shares	16,542	Nil
18 May 2018	Mr Charl Keyter	Granting of share options in respect of performance shares	40,779	Nil
18 May 2018	Mr Charl Keyter	Granting of share options in respect of performance shares	86,967	Nil
18 May 2018	Mr Charl Keyter	Granting of share options in respect of bonus shares	1,034	Nil
18 May 2018	Mr Charl Keyter	Granting of share options in respect of bonus shares	10,778	Nil
18 May 2018	Mr Neal Froneman	Granting of share options in respect of performance shares	36,403	Nil
18 May 2018	Mr Neal Froneman	Granting of share options in respect of performance shares	80,470	Nil
18 May 2018	Mr Neal Froneman	Granting of share options in respect of performance shares	170,801	Nil
18 May 2018	Mr Neal Froneman	Granting of share options in respect of bonus shares	2,069	Nil
18 May 2018	Mr Neal Froneman	Granting of share options in respect of bonus shares	21,997	Nil
21 June 2018	Mr Neal Froneman	Purchase of put options	4,262,348	R4.11
28 August 2018	Mr Neal Froneman	Purchase of Sibanye-Stillwater American depositary shares	21,000	US\$2.37
5 September 2018	Mr Charl Keyter	Acceptance of the allotment of shares pursuant to the vesting of share options in respect of bonus shares	26,895	Nil
5 September 2018	Mr Charl Keyter	Sale of ordinary shares	12,504	R8.9251
5 September 2018	Mr Neal Froneman	Acceptance of the allotment of shares pursuant to the vesting of share options in respect of bonus shares	53,785	Nil
5 September 2018	Mr Neal Froneman	Sale of ordinary shares	25,009	R8.9251
3 December 2018	Mr Charl Keyter	Acceptance of the allotment of shares pursuant to the vesting of share options in respect of bonus shares	140,114	Nil

<u>Date</u>	<u>Party</u>	<u>Transaction</u>	<u>Number of Sibanye-Stillwater relevant securities</u>	<u>Price per Sibanye-Stillwater relevant security (ZAR or US\$, as applicable)</u>
3 December 2018 . . . . .	Mr Charl Keyter	Sale of ordinary shares	65,152	R8.7324
3 December 2018 . . . . .	Mr Neal Froneman	Acceptance of the allotment of shares pursuant to the vesting of share options in respect of bonus shares	285,957	Nil
3 December 2018 . . . . .	Mr Neal Froneman	Sale of ordinary shares	132,969	R8.7324
11 December 2018 . . . . .	Mr Neal Froneman	Purchase of Sibanye-Stillwater American depository shares	11,320	US\$2.64
11 December 2018 . . . . .	Mr Neal Froneman	Sale of Sibanye-Stillwater American depository shares	11,320	US\$2.64

(v) Sibanye-Stillwater has redeemed or purchased the following Sibanye-Stillwater relevant securities in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date:

<u>Date</u>	<u>Number of Sibanye-Stillwater relevant securities redeemed</u>	<u>Number of Sibanye-Stillwater relevant securities purchased</u>	<u>Total nominal value purchased (US\$)</u>	<u>Net settlement amount paid (US\$)</u>	<u>Cancelled/ Treasury Shares</u>
11 September 2018 . . . . .	—	330 2023 Convertible Bonds	66,000,000	50,067,187.50	Cancelled

(f) *Irrevocable undertakings – Lonmin Shares*

(i) Irrevocable undertakings to vote in favour of the Scheme have been received by Sibanye-Stillwater from the following persons in respect of the following holdings of Lonmin Shares:

<u>Name</u>	<u>Number of Lonmin Shares</u>	<u>Percentage of Lonmin issued share capital</u>
Brian Beamish . . . . .	14,100	0.004986%
Ben Magara . . . . .	30,836	0.010904%
Varda Shine . . . . .	17,037	0.006025%
Jonathan Leslie . . . . .	6,851	0.002423%
Dr Len Konar . . . . .	6,674	0.002360%

Four of Lonmin’s directors (Barrie van der Merwe, Gillian Fairfield, Kennedy Bungane and Sizwe Nkosi) do not hold Lonmin Shares and have therefore not given irrevocable undertakings.

(ii) On 13 December 2017, the Lonmin Directors (including Dr Len Konar, a former Lonmin Director) interested in Lonmin Shares gave irrevocable undertakings to Sibanye-Stillwater to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the Lonmin General Meeting in respect of such Lonmin Shares as they hold at the date of the relevant Lonmin Shareholder Meeting (the “**Original Irrevocable Undertakings**”).

(iii) On 29 January 2018, following the publication of Lonmin’s financial results for its financial year ended 30 September 2017, those members of the Lonmin Board who had provided the Original Irrevocable Undertakings entered into revised irrevocable undertakings pursuant to which the Original Irrevocable Undertakings terminated (the “**Revised Irrevocable Undertakings**”). The Revised Irrevocable Undertakings are on the same terms as the Original Irrevocable Undertakings save that the Lonmin Directors (including Dr Len Konar) additionally undertook to accept or procure acceptance of the Transaction in the event that Sibanye-Stillwater elects to implement the Transaction by way of a Takeover Offer, in respect of their Lonmin Shares.



- (iv) The Revised Irrevocable Undertakings shall lapse if the Scheme (or Takeover Offer, if the Transaction is implemented by way of a takeover offer) lapses or is withdrawn prior to the Longstop Date in accordance with its terms, unless: (a) the Scheme lapses or is withdrawn as a result of Sibanye-Stillwater exercising its right to implement the Transaction by way of a Takeover Offer rather than a Scheme; or (b) the lapse or withdrawal either is not confirmed by Sibanye-Stillwater or is followed within five Business Days by the announcement of a firm intention to make an offer under the Takeover Code by Sibanye-Stillwater (or a person acting in concert with it) to implement the Transaction either by a new, revised or replacement scheme of arrangement (pursuant to Part 26 of the UK Companies Act) or takeover offer (within the meaning of Section 974 of the UK Companies Act).

(g) *General*

- (i) As at the Last Practicable Date, save for the irrevocable undertakings described in paragraph 5(f) of this Part IX, neither Lonmin nor any person acting in concert with Lonmin has any arrangement (as defined in paragraph 5(a)(ii) of this Part IX).
- (ii) As at the Last Practicable Date, save for the irrevocable undertakings described in paragraph 5(f) of this Part IX, neither Sibanye-Stillwater nor any person acting in concert with Sibanye-Stillwater has any arrangement (as defined in paragraph 5(a)(ii) of this Part IX).
- (iii) Save as disclosed in paragraph 5 of this Part IX, as at the Last Practicable Date:
- (A) neither Lonmin nor any Lonmin Director, (including members of their immediate families, close relatives and related trusts) were interested in, had a right to subscribe for or a short position in any Lonmin relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date;
- (B) no persons acting in concert with Lonmin and no person with whom Lonmin or a person acting in concert with Lonmin has an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) was interested in, had a right to subscribe for or a short position in any Lonmin relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date;
- (C) neither Sibanye-Stillwater, nor any director of Sibanye-Stillwater, (including members of their immediate families, close relatives and related trusts) were interested in, had any rights to subscribe for or a short position in any Lonmin relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date;
- (D) no person acting in concert with Sibanye-Stillwater nor any person with whom Sibanye-Stillwater or a person acting in concert with Sibanye-Stillwater has an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) was interested in, had any rights to subscribe for or a short position in any Lonmin relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date; and
- (E) neither Sibanye-Stillwater nor any person acting in concert with Sibanye-Stillwater, nor Lonmin, nor any person acting in concert with Lonmin, had borrowed or lent any Lonmin relevant securities in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date, save for any borrowed shares which have been either on-lent or sold.
- (iv) Save as disclosed in paragraph 5 of this Part IX, as at the Last Practicable Date:
- (A) neither Sibanye-Stillwater nor any director of Sibanye-Stillwater (including members of their immediate families, close relatives and related trusts) were interested in, had any rights to subscribe for or a short position in any Sibanye-Stillwater relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date;
- (B) no person acting in concert with Sibanye-Stillwater and no person with whom Sibanye-Stillwater or a person acting in concert with Sibanye-Stillwater has an arrangement (as

defined in paragraph 5(a)(ii) of this Part IX) was interested in, had a right to subscribe for or a short position in any Sibanye-Stillwater relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date;

- (C) neither Lonmin nor any Lonmin Director (including members of their immediate families, close relatives and related trusts) was interested in, had any rights to subscribe for or a short position in any Sibanye-Stillwater relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date;
- (D) no person acting in concert with Lonmin nor any person with whom Lonmin or a person acting in concert with Lonmin has an arrangement (as defined in paragraph 5(a)(ii) of this Part IX) was interested in, had any rights to subscribe for or a short position in any Sibanye-Stillwater relevant securities nor has any such person dealt therein in the period commencing on 14 December 2017 (being the first day of the offer period) and ending on the Last Practicable Date; and
- (E) neither Lonmin, nor any person acting in concert with Lonmin, nor Sibanye-Stillwater, nor any person acting in concert with Sibanye-Stillwater, had borrowed or lent any Sibanye-Stillwater relevant securities in the period commencing on 14 December 2017 (being the first day of the Offer Period) and ending on the Last Practicable Date, save for any borrowed shares which have been either on-lent or sold.

*(h) Persons acting in concert*

- (i) In addition to Sibanye-Stillwater Group companies and the directors of Sibanye-Stillwater, for the purposes of the Takeover Code, the following persons affiliated with them are acting in concert (as defined in paragraph 5(a)(i) of this Part IX) with Sibanye-Stillwater in connection with the Transaction:

<u>Name</u>	<u>Type of company</u>	<u>Registered office</u>	<u>Relationship with Sibanye-Stillwater</u>
HSBC Bank plc	Public limited company incorporated in the United Kingdom	8 Canada Square, London, E14 5HQ, United Kingdom	Financial Adviser
Qinisele Resources	Private company incorporated in South Africa	13th Floor, The Forum 2 Maude Street Sandton, 2196 South Africa	Corporate Adviser
UBS AG, London Branch	A branch registered in England and Wales with UK establishment number BR004507	5 Broadgate London, EC2M 2QS, United Kingdom	Financial Adviser
UBS South Africa (Pty) Ltd	Private company incorporated in South Africa	64 Wierda Road East Wierda Valley Sandton, 2196 South Africa	Financial Adviser

- (ii) In addition to Lonmin Group companies and the directors of Lonmin for the purposes of the Takeover Code, the following persons affiliated with them are acting in concert (as defined in paragraph 5(a)(i) of this Part IX) with Lonmin in connection with the Transaction:

<u>Name</u>	<u>Type of company</u>	<u>Registered office</u>	<u>Relationship with Lonmin</u>
Gleacher Shacklock	Limited liability partnership incorporated in the United Kingdom	Cleveland House, 33 King Street, London SW1Y 6RJ, United Kingdom	Financial Adviser
J.P. Morgan Securities plc	Public limited company incorporated in the United Kingdom	25 Bank Street, Canary Wharf, London E14 5JP, United Kingdom	Financial Adviser
Moshe Capital	Private company incorporated in South Africa	3 Exchange Square, 87 Maude Street, Sandton, Johannesburg, 2196, South Africa	Financial Adviser

## 6. MATERIAL CONTRACTS

- (a) The following contracts have been entered into by the Sibanye-Stillwater Group otherwise than in the ordinary course of business since 14 December 2015 (the date two years prior to the date of the commencement of the Offer Period) which are or may be material:

### *Financing*

#### **USD Revolving Facility Agreement**

On 6 April 2018, Sibanye-Stillwater, together with certain subsidiaries, entered into a revolving facility agreement with, among others, HSBC Bank plc and Bank of America Merrill Lynch International Limited acting as arrangers and co-ordinators (the “**USD Revolving Facility Agreement**”). The USD Revolving Facility Agreement replaced the Sibanye-Stillwater Group’s US\$350 million revolving credit facility in April 2018 as part of a refinancing.

The USD Revolving Facility Agreement is for US\$600,000,000, with the option for the borrower to increase the amount to US\$750,000,000.

The amounts borrowed will be used towards financing the Sibanye-Stillwater Group’s ongoing capital expenditure, working capital, general corporate expenditure requirements (which may include the financing of permitted acquisitions and business combinations) and refinancing existing indebtedness.

The rate of interest on each loan under the USD Revolving Facility Agreement is the percentage rate per annum which is the aggregate of the London interbank offered rate and the applicable margin, as set out below:

- 1.85 per cent. per annum if the ratio of consolidated net debt to consolidated EBITDA (“**ND:EBITDA**”) is equal to or less than 2.50:1; or
- 2.0 per cent. per annum if ND:EBITDA is greater than 2.50:1.

The USD Revolving Facility Agreement requires that Sibanye-Stillwater comply with certain financial covenants and also contains other undertakings, which, among other things, places restrictions on indebtedness, disposals, acquisitions and encumbrances, each with permitted exceptions.

The termination date of the USD Revolving Facility Agreement is 6 April 2021, which may be extended to 6 April 2022 or 6 April 2023 if agreed with the lenders.

The USD Revolving Facility Agreement is governed by English law.

Following further discussions with its lenders, Sibanye-Stillwater secured a covenant holiday for the first quarter of 2019 and an extension of the 3.5x ND:EBITDA ceiling until 31 December 2019. The margin was consequently amended so that, in respect of the measurement period ending 31 March 2019 only, if ND:EBITDA exceeds 3.5:1 or consolidated EBITDA to consolidated Net Finance Charges falls below 4.0:1, the margin shall be increased by 0.25 per cent. per annum.

### **ZAR Revolving Facility Agreement**

On 15 November 2016, Sibanye-Stillwater, together with certain subsidiaries, entered into a revolving facility agreement with, among others, Nedbank Limited (acting through its Corporate and Investment Banking Division), Firststrand Bank Limited (acting through its Rand Merchant Bank Division), ABSA Bank Limited (acting through its Corporate and Investment Bank Division), The Standard Bank of Southern Africa Limited (acting through its Corporate and Investment Banking Division) and Bank of China Limited Johannesburg Branch as arrangers (as amended and/or amended and restated from time to time, the “**ZAR Revolving Facility Agreement**”).

The ZAR Revolving Facility Agreement is for ZAR6,000,000,000.

Amounts borrowed under the ZAR Revolving Facility Agreement may be used for refinancing certain existing debt of Sibanye-Stillwater, paying all fees and costs due by Sibanye-Stillwater under certain finance documents and financing the Sibanye-Stillwater Group’s on-going capital expenditure, working capital and general corporate expenditure requirements (which may include the financing of permitted acquisitions and business combinations).

The rate of interest on each loan under the ZAR Revolving Facility Agreement is the percentage rate per annum which is the aggregate of the Johannesburg interbank agreed rate and the applicable margin, being: 2.40 per cent. per annum or as follows:

- 2.65 per cent. per annum where ND:EBITDA is equal to or less than 3.25:1 and greater than 3.00:1; or
- 2.90 per cent. per annum where ND:EBITDA is greater than 3.25:1 but less than 3.5:1.

The ZAR Revolving Facility Agreement requires that Sibanye-Stillwater comply with certain financial covenants and also contains certain other undertakings which, among other things, restrict demergers, merger or corporate reconstructions, the disposal of assets and acquisitions, each with permitted exceptions.

The termination date of the ZAR Revolving Facility Agreement is 15 November 2019.

The ZAR Revolving Facility Agreement is governed by South African law.

Following further discussions with its lenders, Sibanye-Stillwater secured a covenant holiday for the first quarter of 2019 and an extension of the 3.5x ND:EBITDA ceiling until 31 December 2019.

### **2022 and 2025 Senior Notes**

On 27 June 2017, Stillwater Mining Company (“**Stillwater**”), as a subsidiary of Sibanye-Stillwater, issued at face value US\$1.05 billion of senior notes (the “**2017 Senior Notes**”) to an indenture dated 16 March 2017 among Sibanye-Stillwater, The Bank of New York Mellon, London Branch and certain guarantors. The 2017 Senior Notes offering comprises two tranches, being US\$500 million 6.125 per cent. Senior Notes due 2022, which bear interest at a rate of 6.125 per cent. per annum (the “**2022 Notes**”) and US\$550 million 7.125 per cent. Senior Notes due 2025, which bear interest at a rate of 7.125 per cent. per annum (the “**2025 Notes**”) and together with the 2022 Notes, the “**2022 and 2025 Senior Notes**”). The 2022 and 2025 Senior Notes are denominated in US Dollars and mature and become due and payable in arrears in equal semi-annual instalments on 27 June and 27 December of each year. The 2022 and 2025 Senior Notes are fully and unconditionally guaranteed, jointly and severally by Kroondal Operations Proprietary Limited, Sibanye Rustenburg Platinum Mines Proprietary Limited and Sibanye-Stillwater. The guarantees rank equally in right of payment to all existing and future senior debt of the guarantors.

Prior to 27 June 2019, in the case of the 2022 Notes, or 27 June 2021, in the case of the 2025 Notes, Stillwater may redeem all or a portion of the 2022 Notes or 2025 Notes by paying the relevant price (expressed as a percentage of the principal amount of the 2022 Notes or 2025 Notes plus an applicable premium) plus accrued and unpaid interest on the 2022 Notes or 2025 Notes. At any time on or after 27 June 2019, in the case of the 2022 Notes, or 27 June 2021, in the case of the 2025 Notes, Stillwater may redeem all or part of the 2022 Notes or 2025 Notes by paying the relevant price (expressed as a percentage of the principal amount of the 2022 Notes or 2025 Notes plus an applicable premium) plus accrued and unpaid interest on the 2022 Notes or 2025 Notes. In addition, prior to 27 June 2019, Stillwater may redeem up to 35 per cent. of the original aggregate principal amount of the 2022 Notes or 2025 Notes with the net proceeds from

certain equity offerings. If Sibanye-Stillwater undergoes a change of control, Sibanye-Stillwater or Stillwater will be required to make an offer to purchase each of the 2022 Notes and 2025 Notes at a purchase price equal to 101 per cent. of the principal amount of each of the 2022 Notes and 2025 Notes, plus accrued and unpaid interest to the date of purchase. In the event of certain developments affecting taxation, Stillwater may redeem all, but not less than all, of the 2022 Notes and 2025 Notes.

Sibanye-Stillwater used the proceeds of the 2022 and 2025 Senior Notes for the partial repayment of the US\$2,650 million bridge facility agreement between Sibanye-Stillwater and HSBC Bank plc, dated 9 December 2016, raised for the acquisition of Stillwater (the “**Bridge Facility Agreement**”).

On 19 September 2018, Sibanye-Stillwater completed its offer to purchase and retire a portion of the 2022 Notes and 2025 Notes, in which it repurchased a principal amount of US\$146.3 million of the 2022 Notes (the nominal value outstanding as at 31 December 2018 was US\$353.7 million) and US\$203.1 million of the 2025 Notes (the nominal value outstanding as at 31 December 2018 was US\$346.9 million).

### **2023 Convertible Bond**

On 28 March 2018, Sibanye-Stillwater entered into a supplemental trust deed relating to its issuance, on 26 September 2017, of a US\$450 million senior unsecured guaranteed convertible bond due 2023 (the “**2023 Convertible Bond**”), pursuant to a trust deed dated 26 September 2017, among Sibanye-Stillwater, Stillwater and Kroondal Operations Proprietary Limited as guarantors and BNY Mellon Corporate Trustee Services Limited as Trustee. The 2023 Convertible Bond bears a coupon of 1.875 per cent. per annum, payable semi-annually in arrears in equal instalments on 26 March and 26 September of each year. The 2023 Convertible Bonds are guaranteed by Stillwater and Kroondal Operations Proprietary Limited. The 2023 Convertible Bonds are convertible into new and/or existing shares of Sibanye-Stillwater, cash or a combination thereof pursuant to the terms and conditions of the 2023 Convertible Bond.

The conversion price is subject to customary adjustments pursuant to the terms and conditions of the 2023 Convertible Bond and will be adjusted for any dividends paid.

The 2023 Convertible Bonds were issued at 100 per cent. of their principal amount (i.e. US\$200,000 per 2023 Convertible Bond). Unless previously redeemed, converted or purchased and cancelled, the 2023 Convertible Bonds will be redeemed at their principal amount on 26 September 2023. Sibanye-Stillwater has the option to redeem all but not some of the 2023 Convertible Bonds at their principal amount (plus accrued but unpaid interest) in accordance with the terms and conditions of the 2023 Convertible Bonds at any time: (i) on or after 17 October 2020, if the value of the new and/or existing Sibanye-Stillwater Shares underlying a 2023 Convertible Bond is equal to or exceeds US\$260,000 for a specified period of time; or (ii) if 15 per cent. or less of the aggregate principal amount of the 2023 Convertible Bond remains outstanding (all as more fully described in the terms and conditions of the 2023 Convertible Bond).

Sibanye-Stillwater used the proceeds of the 2023 Convertible Bond for the partial repayment of the Bridge Facility Agreement.

On 14 September 2018, Sibanye-Stillwater completed its offer to purchase and retire certain of the 2023 Convertible Bonds, in which it repurchased and aggregate amount of US\$66 million (US\$384,000,000 outstanding as at 31 December 2018).

### **Streaming Agreement**

On 25 July 2018, Sibanye-Stillwater announced the completion of a gold and palladium streaming agreement (“**Streaming Agreement**”) with Wheaton Precious Metals International Ltd (“**Wheaton International**”). Under the Streaming Agreement, Sibanye-Stillwater has received US\$500 million from Wheaton International (the “**Advance Amount**”) in exchange for an amount of gold and palladium equal to a percentage of gold and palladium produced from Sibanye-Stillwater’s United States PGM operations (comprised of the East Boulder and Stillwater mining operations).

Under the Streaming Agreement, in addition to the Advance Amount, Wheaton International will pay Sibanye-Stillwater 18 per cent. of the spot palladium and gold prices for each ounce delivered under the Streaming Agreement (which may be reduced if debt covenants exceed 3.5x

(ND:EBITDA), until the Advance Amount has been reduced to nil through metal deliveries. Thereafter, Sibanye-Stillwater will receive 22 per cent. of the spot US Dollar palladium and gold prices for each ounce of palladium and gold delivered (which may be reduced if debt covenants exceed 3.5x (ND:EBITDA)).

In addition, Sibanye-Stillwater has committed to deliver to Wheaton International the equivalent of 100 per cent. of gold production from Sibanye-Stillwater's United States PGM operations over the life of the United States PGM operations. Sibanye-Stillwater has also committed to the following:

- 4.5 per cent. of its palladium production from its United States PGM operations, until: (i) a cumulative amount of 375koz of palladium having been delivered; and (ii) the portion of the Advance Amount, which is attributable to palladium deliveries having been reduced to nil through such deliveries;
- thereafter, the equivalent of 2.25 per cent. of its palladium production from its United States PGM operations, until: (a) a further 175koz of palladium having been delivered (or cumulatively 550koz having been delivered); and (b) the Advance Amount having been reduced to nil through metal deliveries; and
- thereafter, and continuing for the life of the operations, 1.0 per cent. of palladium production.

Sibanye-Stillwater has agreed to use commercially reasonable efforts to facilitate the development of the proposed expansion within and to the east of the Stillwater mine (being the "**Blitz Project**"). The Streaming Agreement includes a completion test on the development of the Blitz Project, including completion of underground development, critical surface infrastructure and expansion of the concentrator production output. If Sibanye-Stillwater fails to meet certain completion targets in relation to the Blitz Project, it is required to pay Wheaton International certain cash amounts.

The Streaming Agreement was effective from 1 July 2018 and continues for an initial period of 40 years and can be extended for successive 10-year periods until termination notice is given or there are no active mining operations at the mining properties.

The Streaming Agreement is governed by the laws of the Province of Ontario and the federal laws of Canada.

### ***Acquisitions and disposals***

#### ***Co-operation Agreement***

Sibanye-Stillwater and Lonmin have entered into a Co-operation Agreement dated 14 December 2017, with respect to the implementation of the Transaction, a summary of which is set out in paragraph 7 of this Part IX.

#### ***Stillwater acquisition***

On 9 December 2016, Sibanye-Stillwater and Stillwater entered into an Agreement and Plan of Merger ("**Merger Agreement**") with Thor US Holdco Inc. and Thor Mergco Inc., an indirect wholly owned subsidiary of Sibanye-Stillwater ("**Merger Sub**").

The Merger Agreement provided that, among other things and subject to the terms and conditions therein: (i) Merger Sub would be merged with and into Stillwater; and (ii) at the effective time of the merger, each outstanding share of common stock of Stillwater with a par value of US\$0.01 per share ("**Stillwater Shares**") (other than Stillwater Shares owned by Stillwater, Sibanye-Stillwater or their respective subsidiaries or Stillwater Shares with respect to which appraisal rights were validly exercised and not lost in accordance with Delaware law) would be converted into the right to receive US\$18.00 per Stillwater share in cash without interest.

Sibanye-Stillwater completed the merger on 4 May 2017.

#### ***DRDGOLD Transaction***

On 22 November 2017, Sibanye-Stillwater entered into various agreements to sell selected gold processing and surface tailings storage facilities, which were a component of the West Rand Tailings Retreatment project, to DRDGOLD for the issue of 265,000,000 DRDGOLD new ordinary

shares, equivalent to 38.05 per cent. of the issued share capital of DRDGOLD, worth R895.7 million (as at 31 July 2018). All conditions precedent to the DRDGOLD transaction have been satisfied and the transaction was completed on 31 July 2018.

Sibanye-Stillwater may, within 24 months from the date of implementation of the transaction, exercise an option to increase its shareholding in DRDGOLD up to 50.1 per cent., by subscribing for additional shares in DRDGOLD which will be issued at a 10 per cent. discount to the 30 day volume weighted average traded price of a DRDGOLD share on the day prior to the date of exercise of the option.

## **Other**

### **Placing Agreement**

In connection with the Cash Placing, Sibanye-Stillwater entered into a placing agreement, dated 9 April 2019 (the “**Placing Agreement**”), with J.P. Morgan Securities plc (the “**Manager**”) and J.P. Morgan Equities South Africa Proprietary Limited, pursuant to which the Manager agreed to use its reasonable endeavours to procure purchasers for up to 108,932,356 Sibanye-Stillwater Shares. Sibanye-Stillwater agreed to pay the Manager a commission, together with any applicable value added tax, as well as certain other costs and expenses of, or incidental to, the Cash Placing. Sibanye-Stillwater and the Manager agreed to provide various customary representations and warranties in connection with the Cash Placing. In addition, under the terms of the Placing Agreement, Sibanye-Stillwater has agreed, subject to certain exclusions, including in connection with the issuance of the new Sibanye-Stillwater Shares to be issued to Lonmin Shareholders pursuant to the Scheme, to a lock-up arrangement for a period of 120 days from the date of the Cash Placing. The Placing Agreement is governed by English law.

### **Agreement with the AMCU regarding conclusion of Gold Operations Strike**

On 17 April 2019, Sibanye-Stillwater and the AMCU entered into an agreement to conclude the Gold Operations Strike and under which both parties have agreed to a facilitated “post-strike conflict” relationship building programme. Under the agreement, the AMCU has committed to the following (amongst other things): (i) signing the Wage Agreement previously signed with the NUM, Solidarity and UASA in respect of wages and conditions of service for the period 1 July 2018 to 30 June 2021; (ii) affirming its commitment to conclude a peace pact within 30 days; (iii) abiding by decisions of the relevant court and that no further appeals will be instituted or pursued; (iv) developing and implementing, along with other stakeholders, a plan to ensure a safe start and ramp-up of production post-strike; and (v) to promote and ensure sustainable safe production together with Sibanye-Stillwater. Sibanye-Stillwater has agreed to the following (amongst other things): (a) an ex gratia payment of R4,000 for all employees at its South African gold operations in the form of cash or a voucher, to alleviate hardship; (b) offer a cash advance of R5,000 upon the request of relevant employees, which will be repayable over a twelve month period; (c) assistance with debt consolidation and counselling as part of an existing “Care for iMali” programme; (d) waive its rights to reclaim costs incurred on behalf of employees during the strike, including contributions to medical aid and pension/provident funds, accommodation and feeding costs; (e) provide transport for employees to return to work; and (f) that any employees who were dismissed for strike related misconduct will be subject to normal disciplinary proceedings in line with Sibanye-Stillwater’s disciplinary code and procedures, which include the right to lodge a complaint in line with formal grievance procedures.

Save as disclosed above, no contracts have been entered into by the Sibanye-Stillwater Group otherwise than in the ordinary course of business since 14 December 2015 (the date two years prior to the date of the commencement of the Offer Period) which are or may be material.

- (b) The following contracts have been entered into by the Lonmin Group otherwise than in the ordinary course of business since 14 December 2015 (the date two years prior to the commencement of the Offer Period) and are or may be material:

## **Financing**

### **Pangaea Metal Purchase Agreement**

On 19 October 2018 Lonmin and its principal subsidiaries, WPL and EPL (with WPL as the seller), entered into the Pangaea Metal Purchase Agreement.

Under the Pangaea Metal Purchase Agreement:

- PIM provided Lonmin with US\$200 million upfront payment for future platinum and palladium (2E) ounces deliveries on closing of the long form Pangaea Metal Purchase Agreement;
- the initial term is three years, which will be automatically extended until fully settled;
- WPL settles its delivery obligations through an agency sale arrangement whereby third party offtake revenues are utilised to make monthly payments to the Purchaser (or physical ounces are delivered at the election of the Purchaser) such that PIM will achieve a minimum return of 15 per cent; and
- on successful Completion of the Transaction, the Pangaea Metal Purchase Agreement may be novated to Sibanye-Stillwater and requires delivery of a fixed number of 2E ounces per month such that PIM achieves a return of approximately 12 per cent. over the remaining term. The funding may be subject to early settlement after one year subject to PIM achieving a return on investment of 16 per cent.

PIM is an associate investment company of Jiangxi Copper, China's largest copper producer and fifth biggest mining company. PIM manages captive funds for offshore investment on behalf of Jiangxi Copper. PIM becomes a long-term customer of Lonmin's future production while earning a return on the US\$200 million prepayment made.

PIM shares in the security structure over the Lonmin assets which was initially put in place to secure the US\$ and ZAR lending banks. The Pangaea Metal Purchase Agreement will be unsecured upon the implementation of the Transaction.

#### ***USD Facilities Agreement***

On 9 November 2015, Lonmin entered into an amendment and restatement agreement relating to a facilities agreement originally dated 25 May 2011 with a syndicate of lenders (as amended and/or amended and restated from time to time, the "**USD Facilities Agreement**").

The facilities under the USD Facilities Agreement comprised a:

- US\$150 million term facility;
- US\$210 million revolving facility (which was cancelled on the date on which Lonmin received the proceeds of the 2015 rights issue);
- US\$50 million revolving "B1" facility; and
- US\$25 million revolving "B2" facility.

In October 2018, the USD Facilities Agreement was repaid in full and all facilities under it were cancelled.

#### ***USD consent and waiver letters***

On 5 October 2017, Lonmin entered into a consent and waiver letter in relation to the USD Facilities Agreement (the "**2017 USD Consent and Waiver Letter**") under which the obligation for Lonmin to comply with certain financial covenants based on its consolidated tangible net worth was temporarily waived. On 18 January 2018, Lonmin entered into a further consent and waiver letter in relation to the USD Facilities Agreement. This consent and waiver letter superseded the 2017 USD Consent and Waiver Letter and, among other things, waived certain financial covenants relating to consolidated tangible net worth until Completion (subject to certain conditions).

#### ***ZAR Facility Agreement***

On 9 November 2015, a subsidiary of Lonmin, WPL (as borrower) entered into a ZAR1,980,000,000 facility agreement with Investec Bank Limited (acting through its Corporate and Institutional Banking division), FirstRand Bank Limited (acting through its Rand Merchant Bank division) and The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking division) as arrangers, and certain other Lonmin Group companies as guarantors (as amended and/or amended and restated from time to time, the "**ZAR Facility Agreement**"). In October 2018, the ZAR Facility Agreement was repaid in full and the facility under it was cancelled.



### ***ZAR consent and waiver letters***

On 5 October 2017, WPL entered into a consent and waiver letter in relation to the ZAR Facility Agreement (the “**2017 ZAR Consent and Waiver Letter**”) under which the obligation for WPL to comply with certain financial covenants based on its consolidated tangible net worth was temporarily waived. On 18 January 2018, WPL entered into a further consent and waiver letter in relation to the ZAR Facility Agreement. This consent and waiver letter superseded the 2017 ZAR Consent and Waiver Letter and, among other things, waived certain financial covenants relating to consolidated tangible net worth until Completion (subject to certain conditions being complied with).

### ***US\$50 million funding for BTT Project***

The BTT project entails the re-mining of a tailings dam to extract chrome and PGMs (the “**BTT Project**”). Lonmin, WPL and EPL (together, the “**BTT Sellers**”) entered into a metals purchase agreement dated 27 May 2016 and related suite of security documents dated 1 August 2016 with RFW Lonmin Investments Ltd (the “**BTT Metals Purchaser**” and the “**BTT MPA**”, respectively). The BTT MPA governs a transaction involving the recovery of platinum group metals from the EPL Tailings Dam 1 (“**ETD1**”). The BTT Project required an investment into the construction and expansion of new and existing facilities, including a concentrator, a pipeline and a slurry plant, thereby enabling the sale of recovered metals to the BTT Metals Purchaser.

In order to facilitate the financing requirements of the BTT Project, the BTT Metals Purchaser agreed to deposit with WPL an amount of US\$50 million. The deposit was made in instalments as an upfront payment of the purchase price payable by the BTT Metals Purchaser in consideration for the sale and delivery of metals to it under the BTT MPA. The BTT Sellers are obliged to use the upfront payments to develop and finance the BTT Project.

For each month during the life of the BTT Project, the BTT Sellers are obliged to sell purchasable metal to the BTT Metals Purchaser. The quantity of the purchasable metal that must be sold each month is determined in accordance with a methodology based on the weighted average market price of the various metals recovered.

Any potential claims by the BTT Metals Purchaser against Lonmin, WPL and EPL for shortfalls in the delivery of metals are secured by way of certain project-specific ring-fenced security arrangements. In the BTT MPA, each BTT Seller has guaranteed the obligations of the other BTT Sellers to the BTT Metals Purchaser. The BTT Sellers also hypothecated to the BTT Metals Purchaser certain identifiable assets under a bond which specifically lists and identifies the movable assets bonded thereunder. The security arrangements include rights of the BTT Metals Purchaser to step into the BTT Project under limited circumstances to preserve the ring-fenced assets and continue the operation of the metals recovery upon the occurrence of certain limited trigger events.

### ***Operational***

#### ***Plant, off-take and relationship agreement***

WPL, Thakadu Battery Materials Pty Limited (“**Thakadu**”) and Thakadu’s subsidiary K2016359667 Pty Limited (now named Lonix (RF) Pty Limited) (“**Lonix**”) entered into a plant, off-take and relationship agreement on 28 September 2016, whereby: (i) Lonix undertook to design, finance, construct, commission, operate and maintain a nickel sulphate purification plant on a portion of WPL’s Marikana mining area for the purposes of processing the crude nickel sulphate stream generated from feed material processed through WPL’s base metals refinery at its Marikana operations; (ii) WPL undertook to provide Lonix with all crude nickel sulphate processed through its base metals refinery, provided that, if any crude nickel sulphate is not processed through the Lonix plant, WPL shall be obliged to offer such crude nickel sulphate to Lonix on a right of first refusal basis; (iii) Lonix will process the crude nickel sulphate and extract the pure nickel sulphate, in accordance with agreed specifications, and return the remainder of the feed material to WPL; (iv) Lonix will purchase all nickel contained in the nickel sulphate; (v) Lonix will market and sell the pure nickel sulphate to third-party purchasers; (vi) the profit from such sales of the nickel sulphate will be shared on a specified per cent basis; and (vii) WPL will have the option to purchase the plant, at a fair market value, at specified times over the duration of the contract.

The agreement also contains provisions relating to: (i) health and safety issues; (ii) weighing of materials, sampling and analyses; (iii) responsibility for costs; (iv) confidentiality obligations; (v) Lonix remaining a black economically empowered company; and (vi) provisions for Lonix's shares to remain owned only by Thakadu for the duration of the agreement.

The term of the agreement is from 28 September 2017 with a specified duration.

#### ***Concentrator lease agreement***

Messina Platinum Mines Limited ("**MPML**") and RPM entered into a concentrator lease agreement on 10 November 2016, whereby MPML leased to RPM a concentrator plant situated at its Baobab Mine for the purposes of processing ore from RPM's Mogalakwena Mine and granted to RPM the right to deposit current arisings from the plant onto EPL's gabbro tailings dam in close proximity to the plant. The lease commenced on 5 December 2016 and has a three year term. RPM has the obligation to maintain the plant and, upon the termination of the lease, to return it to MPML in the same condition as at the commencement of the lease.

RPM is obliged to pay MPML for all pass-through costs in connection with the plant, a deposition charge for current arisings deposited on the tailings dam and an agreed depreciation recoupment cost.

The agreement contains detailed provisions with respect to: (i) the costs of maintaining and upgrading the concentrator plant and the tailings dam; (ii) mining health and safety issues; (iii) rehabilitation; (iv) control of plant volumes; and (v) the workings of a joint operations committee to oversee the lease of the plant.

The agreement also contains publicity and confidentiality undertakings.

#### ***Tharisa plant operating and chrome agency agreement***

WPL, Tharisa plc ("**Tharisa**") and Tharisa's subsidiary, Arxo Metals Pty Limited ("**Arxo**"), entered into a plant operating and chrome agency agreement on 7 August 2017, whereby: (i) Arxo was granted the right to use, maintain and operate WPL's K3 UG2 chrome plant, on a cost neutral basis, for the purpose of processing tailings containing UG2 chromite, provided by WPL, into UG2 chromite concentrate; (ii) Arxo will exclusively market and sell such UG2 chromite concentrate produced by the plant to third-party purchasers; (iii) WPL will pay Arxo sales and marketing commissions in respect of such third-party sales; and (iv) WPL will have recourse against Tharisa in the event Arxo defaults on certain of its obligations as provided for in the agreement.

The agreement further provides: (i) specifications for the plant input material and output product; (ii) costing and pricing mechanisms and indices; (iii) a marketing and sales committee; (iv) the payment of plant operating and related costs and mechanisms for the calculation of commissions; (v) yield incentive bonuses in the event that Arxo achieves yields of chrome product above the baseline yield; and (vi) certain health and safety matters.

The agreement also contains publicity and confidentiality provisions.

The agreement will terminate upon the termination of the Tharisa PGM Concentrate Sales Agreement.

#### ***Tharisa PGM Concentrate Sales Agreement***

WPL and Tharisa Minerals Pty Limited ("**Tharisa Minerals**") entered into a PGM concentrate sales agreement on 19 July 2017 (the "**Tharisa PGM Concentrate Sales Agreement**"), whereby: (i) Tharisa Minerals will sell and deliver PGM concentrate to WPL from its mine; (ii) from 19 July 2017 until the expiry of Tharisa Minerals' existing third-party offtake agreement or a maximum of five years from 19 July 2017, Tharisa Minerals will deliver a specified number of 6E PGM concentrate to WPL; (iii) WPL will process the PGM concentrate to produce payable metals; and (iv) WPL will pay Tharisa Minerals on the basis of the payable metals processed from the PGM concentrate.

The Tharisa PGM Concentrate Sales Agreement further provides: (i) specifications for the PGM concentrate; (ii) indices and pricing mechanisms with respect to payable metals; (iii) quality and quantity assurance provisions; (iv) penalties for under-delivery or for PGM concentrate being below specification; and (v) incentives to be paid to Tharisa Minerals in the event that the PGM concentrate exceeds the given specification ranges.

The Tharisa PGM Concentrate Sales Agreement also contains publicity and confidentiality provisions and an undertaking that the parties will, in good faith, use their best endeavours to negotiate a co-operation agreement between them regarding research into and development of PGM beneficiation processes.

#### ***Development co-operation agreement***

WPL and Tharisa Minerals, in accordance with the undertaking contained in the Tharisa PGM Concentrate Sales Agreement, entered into a development co-operation agreement on 24 October 2017, whereby the parties agreed to establish a framework within which they will co-operate with each other in relation to a project for the research into and development of PGM beneficiation. The agreement contains standard confidentiality provisions.

The agreement has a term of two years from 24 October 2017.

#### ***WPL agency agreement***

Following a competitive tender process, on 2 April 2019 Sibanye Rustenburg Platinum Mines (Proprietary) Limited (“**SRPM**”) appointed WPL to manage the logistics and warehousing of their final metal received under the current toll treatment agreement. It is an arm’s length commercial transaction mainly focused on delivering final metal to SRPM’s end customer. SRPM has allocated a portion of metal to WPL which WPL can place in the market, on a monthly basis, on SRPM’s behalf.

The WPL agency agreement is an open ended agreement with a termination clause.

#### ***Acquisitions and disposals***

##### ***Co-operation Agreement***

Sibanye-Stillwater and Lonmin have entered into a Co-operation Agreement dated 14 December 2017, with respect to the implementation of the Transaction, a summary of which is set out in paragraph 7 of this Part IX.

##### ***Pandora: RPM sale of Pandora participation interest agreement***

EPL and RPM entered into a sale of participation interest agreement on 10 November 2016 (the “**RPM Sale of Participation Interest Agreement**”) which lapsed due to the non-fulfilment of certain conditions precedent but was revived and reinstated on 5 December 2017. The RPM Sale of Participation Interest Agreement provided for the sale of RPM’s 42.5 per cent. participation in Pandora to EPL for a purchase consideration of ZAR58 million, plus deferred consideration payable over a period not exceeding six years from the effective date of the agreement (such effective date being 5 December 2017). The deferred consideration is calculated at 20 per cent. of the free cash flow (as defined in the agreement) generated from the Pandora E3 and E3 extension operations to a maximum of ZAR1 billion over six years (nominal terms).

As security for the payment of the deferred consideration, EPL must register a mortgage bond over a 42.5 per cent. share of the Pandora surface rights and the Pandora mining rights, register a special notarial bond over 42.5 per cent. of the joint venture assets sold and provide a cession and pledge RPM of the RPM participation interest.

The RPM Sale of Participation Interest Agreement provides for wide-ranging trigger events which will result in the deferred compensation of ZAR400 million (less any deferred compensation already paid) becoming due and payable. Examples of such trigger rights include insolvency, business rescue and inability to pay debts, disposals of any assets sold under the agreement at less than market value or not at arm’s length, breach or repudiation of the provisions of the agreement, cessation of business and attachments, distresses or executions against the assets of any member of the EPL group having a value in excess of ZAR500 million.

##### ***Pandora: Mvelaphanda sale of Pandora participation interest agreement***

EPL and Mvelaphanda Resources Pty Limited (“**Mvela**”) entered into a sale of participation interest agreement on 13 May 2017. The agreement lapsed due to the non-fulfilment of certain

conditions precedent but was reinstated on 5 December 2017. The agreement provides for the sale of Mvela's 7.5 per cent. participation interest in the Pandora joint venture to EPL for a purchase consideration of ZAR45,565,000, plus an equalisation amount with respect to certain cash calls made against the joint venture participants.

The agreement provides that the transaction would close prior to or contemporaneously with the RPM Sale of Participation Interest Agreement. Closing under the agreement and the agreement entered into with RPM occurred on 5 December 2017.

#### ***Pandora: Distribution agreement***

EPL and Bapo Ba Mogale Mining Company (Proprietary) Limited ("**Bapo**") are parties to a distribution agreement pursuant to which the 7.5 per cent. participation interest held by Bapo in the Pandora Joint Venture will be transferred to EPL by way of a dividend in specie. Ministerial consent to the transfer is still awaited and, once obtained, the distribution will be effected and EPL will hold 100 per cent. of Pandora.

#### ***Petrozim: Sale of shares agreement***

Lonmin, Petrozim Line (Private) Limited ("**Petrozim**") and NOIC entered into a sale of shares agreement on 29 June 2018 whereby Lonmin sold to NOIC its 50 per cent. shareholding in Petrozim for a purchase price of US\$14,750,000 plus a 50 per cent. share of a special dividend of available cash in Petrozim amounting to a further US\$8 million payable to Lonmin. In addition, Petrozim has undertaken to pay all dividends declared and accrued to date but not yet paid to Lonmin, being an amount of US\$2,101,787.

The agreement provides that, if either NOIC or Petrozim agree a transaction, within two years of the closing date of the agreement, which results in a third-party that is not a state-owned entity of any member of the Southern African Development Community holding shares in Petrozim, NOIC shall pay an additional amount to Lonmin equal to 50 per cent. of the amount by which the amount per share paid by such third-party acquirer exceeds the amount per share paid by NOIC to Lonmin.

The agreement also contains publicity and confidentiality undertakings. All conditions precedent to the agreement have been fulfilled.

#### ***Wallbridge: Share purchase agreement and related finder's agreement***

Lonmin Canada, a wholly owned subsidiary of Lonmin, and Sprott Holdco, a company beneficially owned by Mr Eric Sprott, entered into a share purchase agreement on 28 September 2018 whereby Lonmin Canada sold 24,042,895 outstanding common shares of Wallbridge Mining Company Limited for CAN\$0.165 per share, with an aggregate purchase price of CAN\$3,967,077.68.

The transaction closed effective on 12 October 2018. In connection with such transaction, Lonmin Canada entered into a finder's agreement on 28 September 2018 with Brant Securities Ltd whereby Brant Securities Ltd. was entitled to receive CAN\$20,000 as consideration for its role in finding and introducing Lonmin Canada to Sprott Holdco, 50 per cent of which amount was paid by Sprott Holdco and the balance was paid by Lonmin Canada upon closing of the transaction.

## **7. OFFER-RELATED ARRANGEMENTS**

### ***Confidentiality Agreement***

Sibanye-Stillwater and Lonmin entered into a Confidentiality Agreement on 18 October 2017, pursuant to which each of Sibanye-Stillwater and Lonmin has undertaken to keep confidential information relating to the other party, not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation and only use it in connection with the Transaction. These confidentiality obligations will remain in force until Completion or, in the event of termination of the Transaction, for a period of two years from the date of the Confidentiality Agreement. Sibanye-Stillwater also agreed to certain standstill undertakings, all of which ceased to apply upon the release of the Announcement of the Transaction.

The Confidentiality Agreement also contains undertakings from both Lonmin and Sibanye-Stillwater that, for a period of 18 months from the date of the Confidentiality Agreement, neither Sibanye-Stillwater nor Lonmin would, directly or indirectly, solicit or entice away certain persons employed or engaged by the other party or any of its affiliates with a view to inducing those employees to leave such employment or engagement, nor, directly or indirectly, solicit, entice away, canvass or approach certain suppliers or customers of the other party or any of its affiliates for the purpose of offering or receiving goods or services of the same or similar type from or to such person.

### ***Co-operation Agreement***

Sibanye-Stillwater and Lonmin have entered into the Co-operation Agreement dated 14 December 2017, pursuant to which, among other things, Sibanye-Stillwater has agreed to lead in developing, preparing and submitting all filings, notifications or submissions in relation to all clearances and regulatory conditions with respect to the Transaction, except to the extent that: (i) Lonmin is required to make its own filings, notifications or submissions (in which case Lonmin will submit such filings, notifications or submissions); or (ii) Sibanye-Stillwater and Lonmin are required to make joint filings, notifications or submissions (in which case Sibanye-Stillwater and Lonmin will jointly submit such filings, notifications or submissions). Sibanye-Stillwater and Lonmin have also agreed to provide such information and assistance as the other party may reasonably request for the purpose of obtaining all regulatory clearances.

The Co-operation Agreement also records Sibanye-Stillwater and Lonmin's intention to implement the Transaction by way of the Scheme, subject to Sibanye-Stillwater having the right to implement the Transaction by way of a Takeover Offer in certain circumstances. The Co-operation Agreement also provides that Sibanye-Stillwater will consult Lonmin in relation to the preparation of the Sibanye-Stillwater Circular. Sibanye-Stillwater has also agreed to provide promptly to Lonmin all such information relating to Sibanye-Stillwater and assistance as Lonmin may reasonably request for the purpose of preparing this document (and/or other Lonmin Shareholder documentation).

The Co-operation Agreement also includes undertakings by Sibanye-Stillwater to: (i) convene the Sibanye-Stillwater Shareholder Meeting, which is expected to be held at or around the same time as the Lonmin General Meeting, as soon as reasonably practicable following the receipt of all the relevant clearances from the competition and regulatory authorities, in particular those in South Africa and the United Kingdom (or, if applicable, the European Union (in case a referral is made to the European Commission pursuant to Article 22 of Council Regulation (EC) 139/2004)) (unless Sibanye-Stillwater and Lonmin otherwise agree); and (ii) recommend that Sibanye-Stillwater Shareholders vote in favour of the relevant resolution at the Sibanye-Stillwater Shareholder Meeting.

Lonmin and Sibanye-Stillwater have agreed that the Co-operation Agreement will terminate in the following circumstances:

- (i) the Scheme is withdrawn or lapses prior to the Longstop Date, other than where such lapse or withdrawal: (a) is a result of Sibanye-Stillwater exercising its right to implement the Transaction by way of a Takeover Offer; or (b) either is not confirmed by Sibanye-Stillwater or is followed within five Business Days by an announcement under Rule 2.7 of the Takeover Code made by Sibanye-Stillwater (or a person acting in concert with it) to implement the Transaction by way of different offer or scheme or arrangement on substantially the same or improved terms;
- (ii) the Lonmin Directors fail to recommend that Lonmin Shareholders vote in favour of the Scheme or they withdraw, qualify or modify the recommendation in an adverse manner or announce an intention to do so prior to the Court Meeting and the Lonmin General Meeting and Sibanye-Stillwater elects to terminate the Co-operation Agreement;
- (iii) if Sibanye-Stillwater elects to exercise its right to implement the Transaction by way of a Takeover Offer, the Lonmin Directors withdraw, qualify or modify their recommendation of the Takeover Offer in an adverse manner or announce an intention to do so and Sibanye-Stillwater elects to terminate the Co-operation Agreement;

- (iv) the Scheme does not become Effective before the Longstop Date, or if Sibanye-Stillwater elects to exercise its right to implement the Transaction by way of a Takeover Offer and the Takeover Offer does not become wholly unconditional before the Longstop Date; or
- (v) Sibanye-Stillwater and Lonmin agree in writing to such termination.

The Co-operation Agreement also contains provisions that will apply in respect of Lonmin Share Plans, including that Lonmin has agreed that it will not process or issue any Lonmin Shares to satisfy the vesting and exercise of any awards and options granted under the Lonmin Share Plans between the Scheme Record Time and the Effective Date.

On 15 January 2019, Sibanye-Stillwater and Lonmin entered into an amendment agreement to the Co-operation Agreement under which the Longstop Date was amended from 28 February 2019 to 30 June 2019. This extension was necessary to prevent the Transaction lapsing on 28 February 2019 due to the delay to the timetable caused by the AMCU filing an appeal with the CACSA on 18 December 2018 against the SA Competition Tribunal's decision of 21 November 2018. The appeal was heard by the CACSA on 2 April 2019. A decision of the CACSA is awaited and, following the hearing on 2 April 2019, the Lonmin Board and the board of Sibanye-Stillwater are now proceeding with the steps necessary to satisfy the remaining Conditions by convening their respective shareholder meetings. The outcome of the appeal before the CACSA will be communicated to Lonmin Shareholders via a Regulatory Information Service in due course.

#### ***Regulatory Clean Team Protocol***

Sibanye-Stillwater and Lonmin have put in place a Regulatory Clean Team Protocol which sets out how confidential information that is competitively sensitive can be disclosed, used, or shared between Sibanye-Stillwater's external legal counsel and/or economists and Lonmin's external legal counsel and/or economists for the purposes of obtaining the consent of competition authorities and/or other regulatory clearances in connection with the Transaction.

#### ***Due Diligence Clean Team Protocol***

In addition, Sibanye-Stillwater and Lonmin have put in place a Due Diligence Clean Team Protocol which sets out how certain other confidential information that is competitively sensitive can be disclosed, used or shared between Sibanye-Stillwater and Lonmin and their professional advisers for the purposes of due diligence, synergies determination, evaluation, planning transition and regulatory clearances in connection with the Transaction.

### **8. SERVICE CONTRACTS**

Save as disclosed below, there are no service contracts or letters of appointment in force between a Lonmin Director or proposed Lonmin Director with Lonmin or any of its subsidiaries and, save as disclosed below, no such agreement has been entered into or amended during the six months preceding the date of this document.

#### **(a) Executive Lonmin Directors**

The following executive Lonmin Directors have entered into service contracts with members of the Lonmin Group.

##### ***Ben Magara, Chief Executive Officer of Lonmin***

- (i) Ben Magara is employed under an executive service agreement dated 24 October 2013. Mr Magara's employment under the terms of the agreement was deemed to have commenced on 1 July 2013.
- (ii) The agreement is terminable by the employer on 12 months' written notice and by Mr Magara on 6 months' written notice. The employer can terminate the agreement by making a payment of gross basic salary and contractual benefits (excluding any bonus) in lieu of notice. In such a case, the employer has discretion to make phased payments to Mr Magara in monthly or quarterly instalments over a period of no longer than 12 months and reduce any payment in

accordance with Mr Magara's duty to mitigate his loss. Alternatively, the employer may place Mr Magara on garden leave for up to a maximum of six months and continue to pay salary and benefits during this period.

- (iii) Effective 1 October 2017, Mr Magara's annual salary is £475,552. This is subject to review by the Remuneration Committee.
- (iv) Mr Magara is also eligible to participate in the employer's discretionary cash bonus plan, the Lonmin Balanced Scorecard Bonus Scheme (the "**BSC**").
- (v) Awards under the BSC are normally made in cash, although the Remuneration Committee may settle awards in shares or defer payment. The maximum potential value of a BSC award is 125 per cent. of Mr Magara's base salary. An ASAP option over a number of Ordinary Shares with equivalent value to BSC bonuses is also ordinarily granted to Mr Magara. Pursuant to the Co-operation Agreement, Lonmin and Sibanye-Stillwater have agreed that to the extent an equivalent ASAP award cannot be made as a result of the Transaction, Lonmin shall be permitted to increase the value of Mr Magara's BSC bonus for that year by 100 per cent. Mr Magara's BSC bonus for the current financial year is, in part, subject to a performance target linked to progression of the Scheme. This target accounts for 35 per cent. of the maximum potential value of his BSC bonus (the remaining 65 per cent. of value is subject to a mixture of corporate and other performance conditions). Achievement of the Scheme-related target is not conditional upon the Scheme becoming effective and instead requires the Remuneration Committee to have determined that sufficient progress has been made in implementing the Scheme in the relevant financial year.
- (vi) Mr Magara is also eligible to participate in the Lonmin Share Plans, pursuant to which he holds options and awards over Lonmin relevant securities as detailed in paragraph 5(b)(ii) of this Part IX.
- (vii) Mr Magara's total remuneration for the financial year ended 30 September 2018, including base salary and benefits, was £1,450,950.
- (viii) In respect of pension, the agreement states that Mr Magara is eligible for membership of the Sentinel Fund in South Africa with employer contributions of 20 per cent. of his base salary (or such other figure as may be agreed). Alternatively, Mr Magara may elect to instead receive a cash allowance per month equivalent to the amount that the employer contributions would otherwise have been, less legally required deductions. Mr Magara has opted to join the South African defined contribution plan and to receive a proportion of the 20 per cent. of base salary pension allowance as a cash supplement.
- (ix) Mr Magara is also provided with a car allowance of £15,000 per annum, a life assurance benefit of four times annual salary and private medical insurance. The employer facilitates the provision of professional advice to Mr Magara up to a maximum value of £10,000 per annum (exclusive of VAT) relating to tax and exchange control advisory, planning and compliance matters.
- (x) The agreement allows the Lonmin Board to, at any time and in its absolute discretion, provide in place of any of the existing remuneration or benefits different remuneration or benefits, provided that in the reasonable opinion of the Lonmin Board the total value of such, when taken overall, shall not be less advantageous to Mr Magara.

***Barrie van der Merwe, Chief Financial Officer of Lonmin***

- (i) Barrie van der Merwe is employed under an executive service agreement dated 19 April 2016. He was initially employed in an interim finance capacity before his appointment as Chief Financial Officer took effect from 17 May 2016.
- (ii) The agreement is terminable by the employer on 12 months' written notice and by Mr Van der Merwe on six months' written notice. The employer can terminate the agreement by making a payment of gross basic salary (excluding any bonus) in lieu of notice. In such a case, the employer has discretion to make phased payments to Mr Van der Merwe in monthly or quarterly instalments over a period of no longer than 12 months and reduce any payment in accordance with Mr Van der Merwe's duty to mitigate his loss. Alternatively, the employer may place Mr Van der Merwe on garden leave for up to a maximum of six months and continue to pay salary and benefits during this period.

- (iii) Effective 1 October 2017, Mr Van der Merwe's annual salary is R4,233,600<sup>9</sup>. This is subject to review by the Remuneration Committee.
- (iv) In addition to his salary, Mr Van der Merwe is eligible to participate in the BSC. The maximum potential value of a BSC award is 125 per cent. of Mr Van der Merwe's base salary. An ASAP option over a number of Ordinary Shares with equivalent value to BSC bonuses is also ordinarily granted to Mr Van der Merwe. Pursuant to the Co-operation Agreement, Lonmin and Sibanye-Stillwater have agreed that to the extent an equivalent ASAP award cannot be made as a result of the Transaction, Lonmin shall be permitted to increase the value of Mr Van der Merwe's BSC bonus for that year by 100 per cent. Mr Van der Merwe's BSC bonus for the current financial year is, in part, subject to a performance target linked to progression of the Scheme in the same manner as Mr Magara's BSC bonus. As with Mr Magara's BSC bonus, this target accounts for 35 per cent. of the maximum potential value of Mr Van der Merwe's BSC bonus.
- (v) Mr Van der Merwe is also eligible to participate in the Lonmin Share Plans, pursuant to which he holds options and awards over Lonmin relevant securities as detailed in paragraph 5(b)(ii) of this Part IX.
- (vi) Mr Van der Merwe's total remuneration for the financial year ended 30 September 2018, including base salary and benefits, was £737,268.
- (vii) In respect of pension, the agreement states that Mr Van der Merwe is eligible for membership of the Sentinel Fund in South Africa with employer contributions of 20 per cent. of his base salary (or such other figure as may be agreed). Alternatively, Mr Van der Merwe may elect to instead receive a cash allowance per month equivalent to the amount that the employer contributions would otherwise have been, less legally required deductions. Mr Van der Merwe has opted to receive his full pension allowance (totalling 20 per cent. of base salary) as a cash supplement and is not part of the South African defined contribution plan.
- (viii) Mr Van der Merwe is also provided with a car allowance of the South African Rand equivalent of £1,315.83 per month (calculated using the average exchange rate each month), a life assurance benefit of four times annual salary, permanent health insurance (income continuance) and private medical insurance. The employer facilitates the provision of professional advice to Mr Van der Merwe up to a maximum value of £10,000 per annum (exclusive of VAT) relating to tax and exchange control advisory, tax planning and tax compliance matters.
- (ix) The agreement allows the Lonmin Board to at any time and in its absolute discretion provide in place of any of the existing remuneration or benefits different remuneration or benefits, provided that in the reasonable opinion of the Lonmin Board the total value of such, when taken overall, shall not be less advantageous to Mr Van der Merwe.

**(b) Non-executive Lonmin Directors**

The non-executive Lonmin Directors are appointed by letters of appointment, details of which are set out below.

<sup>9</sup> According to Lonmin's Annual Report and Accounts 2018, this is equivalent to £242,510 per annum, using the monthly exchange rate for the period 1 October 2017 to 30 September 2018 (calculated using daily exchange rates).



The non-executive Lonmin Directors are subject to annual re-election by the Lonmin Shareholders in accordance with the UK Corporate Governance Code. Particulars of the terms of appointment are as follows:

<u>Non-executive Lonmin Director</u>	<u>Date of contract</u>	<u>Unexpired term subject to annual re-election by shareholders</u>	<u>Notice period from Lonmin</u>	<u>Notice period from Director</u>
Brian Beamish	6 November 2013	Earlier of Completion or Lonmin's annual general meeting in 2020	None	None
Jonathan Leslie	4 June 2009	Earlier of Completion or Lonmin's annual general meeting in 2020	None	None
Kennedy Bungane	27 July 2016	Earlier of Completion or Lonmin's annual general meeting in 2020	None	None
Gillian Fairfield	5 December 2017	Earlier of Completion or Lonmin's annual general meeting in 2020	One month	One month
Sizwe Nkosi	29 March 2019	Earlier of Completion or Lonmin's annual general meeting in 2020	One month	One month
Varda Shine	25 February 2015	Earlier of Completion or Lonmin's annual general meeting in 2020	None	None

- (i) Remuneration of non-executive Lonmin Directors consists of a base fee plus additional fees for Board Committee service or Chairmanship. The non-executive Lonmin Directors (except the Chairman) are paid a base fee of £55,000 per annum for acting as a Director and serving as a member of up to two Board Committees. The Chairman is offered a fee of £210,000 per annum for acting as a Director, serving as a member of up to two Board Committees and chairing the Lonmin Board.
- (ii) Where a non-executive Lonmin Director chairs a Board Committee, they receive a fee of £10,000 per annum in addition to their base fee for each Board Committee that they chair.
- (iii) Where a non-executive Lonmin Director serves on more than two Board Committees, a fee of £5,000 per annum is offered for each additional Board Committee.
- (iv) Where Lonmin holds Lonmin Board and/or Board Committee meetings in addition to scheduled meetings, a fee of £2,000 per day is payable for attendance. However, the non-executive Lonmin Directors have historically waived their entitlement to this additional fee.
- (v) Apart from these fees, no other remuneration is provided to the non-executive Lonmin Directors. They are not eligible to participate in any of Lonmin's incentive schemes, including the grant of options under any of Lonmin's Share Plans. Non-executive Lonmin Director fees are generally reviewed by Lonmin once every two years.
- (vi) None of the non-executive Lonmin Directors' appointment terms provide for a specific payment or compensation in the event of termination of the appointment (although Gillian Fairfield and Sizwe Nkosi's appointments may be terminated on one month's notice).
- (vii) On or around 5 December 2018, it was agreed with each then-incumbent non-executive Lonmin Director that their appointment as a non-executive Lonmin Director would continue until the earlier of: (i) Completion; and (ii) any annual general meeting of Lonmin in 2020. In those agreements it was noted that if the Transaction completes, it is understood that, as anticipated in the Announcement, each non-executive Lonmin Director will resign with immediate effect on or around Completion (with the exact timing to be determined closer to Completion) and that, in that circumstance, each non-executive Lonmin Director's fees up to and including the date of their resignation would be paid pro rata, but no further fees or

compensation would be payable in connection with their office or its termination. The same arrangements were agreed with Sizwe Nkosi upon his appointment to the Lonmin Board in March 2019 and are reflected in his letter of appointment.

***Brian Beamish, non-executive Lonmin Director, Chairman of the Lonmin Board, Chairman of the Lonmin Nomination Committee, member of the Remuneration Committee, member of the Safety, Health & Environment Committee***

- (i) The effective date of Brian Beamish's appointment as a non-executive Lonmin Director is 1 November 2013.
- (ii) Mr Beamish receives a fee of £220,000 per annum for acting as a Director, serving as a member of two Board Committees of the Lonmin Board and chairing the Lonmin Board and a Board Committee. In the financial year ended 30 September 2018, Mr Beamish waived his additional fee for being a member of the Safety, Health & Environment Committee.
- (iii) The appointment letter provides that, if Mr Beamish is required to spend substantially longer on his duties than the expected time commitment, Lonmin may at its sole and absolute discretion make one or more specific payments to him in addition to his standard fees.

***Kennedy Bungane, non-executive Lonmin Director, Chairman of the Social, Ethics & Transformation Committee, member of the Safety, Health & Environment Committee, member of the Audit & Risk Committee***

- (i) Kennedy Bungane was originally nominated by Phembani to serve as a Lonmin Director. The effective date of his appointment is 1 March 2016.
- (ii) In the financial year ended 30 September 2018, Lonmin paid Mr Bungane his base fee of £63,192 directly for his role as non-executive Lonmin Director, his membership of two Board Committees and for chairing a Board Committee, such fees subsequently recoverable by Phembani. The arrangement allows Lonmin to make income tax and national insurance deductions in respect of these fees.
- (iii) The appointment letter provides that, if Mr Bungane is required to spend substantially longer on his duties than the expected time commitment, Lonmin may at its sole and absolute discretion make one or more specific payments to him in addition to his standard fees.
- (iv) On 15 March 2018, Mr Bungane became a member of the Audit & Risk Committee and was appointed Chairman of the Social, Ethics & Transformation Committee, having previously been a member of that Committee.
- (v) With effect from 1 March 2019, Mr Bungane ceased to be the Phembani nominee. In light of Mr Bungane's skills, experience and commitment to Lonmin, the Lonmin Board requested, and Mr Bungane agreed, to remain on the Board as a non-executive Lonmin Director.

***Jonathan Leslie, non-executive Lonmin Director, Senior Independent Director, member of the Nomination Committee, member of the Remuneration Committee, Chairman of the Safety, Health & Environment Committee and Chairman of the Audit & Risk Committee***

- (i) Jonathan Leslie's appointment as non-executive Lonmin Director commenced on 4 June 2009. Mr Leslie's total fees for the financial year ended 30 September 2018 were £90,462.
- (ii) In addition to the base fee, Mr Leslie receives a fee of £10,000 per annum for his role as Senior Independent Director. He was appointed to this role effective 1 August 2017. As well as participating in the three Board Committees listed above, Mr Leslie became Chairman of the Audit & Risk Committee on 15 March 2018.
- (iii) The appointment letter does not confer an entitlement to additional fees in the event that Mr Leslie spends substantially more time on his duties than the expected time commitment.

***Varda Shine, non-executive Lonmin Director, member of the Audit & Risk Committee, member of the Nomination Committee, Chairwoman of the Remuneration Committee***

- (i) Varda Shine's appointment as non-executive Lonmin Director and member of the three Board Committees listed above took effect on 16 February 2015. Ms Shine was appointed Chairwoman of the Remuneration Committee on 1 August 2017.

- (ii) Ms Shine is paid a base fee of £55,000 per annum, plus an additional £5,000 for each Board Committee membership over and above the two included in the annual fee and an additional £10,000 for chairing a Board Committee. The appointment letter provides that the fees may be amended to reflect any changes to Ms Shine's role which occur during the year. Ms Shine's total fees for the financial year ended 30 September 2018 were £70,000.
- (iii) The appointment letter provides that, if Ms Shine is required to spend substantially longer on her duties than her expected time commitment (for example, as a result of a major transaction), Lonmin may at its sole and absolute discretion make one or more specific payments to her in addition to her standard fees.

***Gillian Fairfield, non-executive Lonmin Director, member of the Nomination Committee, member of the Remuneration Committee, member of the Social, Ethics & Transformation Committee***

- (i) Gillian Fairfield was appointed as a non-executive Lonmin Director and as a member of the above three Board Committees effective 1 August 2017. In accordance with the appointment letter and Lonmin's remuneration policy, Ms Fairfield was paid her base fee of £55,000 on appointment.
- (ii) Ms Fairfield is entitled to an additional £5,000 per annum for each Board Committee membership over and above the two included in her base fee. The appointment letter provides that the fees may be amended to reflect any changes to Ms Fairfield's role which occur during the year. Ms Fairfield's total fees for the financial year ended 30 September 2018 were £14,167. Pro-rated base fees for the period 1 October 2017 to 31 July 2018 were paid to Ms Fairfield on appointment in 2017.
- (iii) The appointment letter provides that, if Ms Fairfield is required to spend substantially longer on her duties than her expected time commitment (for example, as a result of a major transaction), Lonmin may at its sole and absolute discretion make one or more specific payments to her in addition to her standard fees.

***Sizwe Nkosi, non-executive Lonmin Director, member of the Social, Ethics & Transformation Committee, member of the Safety, Health & Environment Committee***

- (i) Sizwe Nkosi was nominated by Phembani to serve as a Lonmin Director. His appointment as a non-executive Lonmin Director and member of the two Board Committees listed above took effect on 1 March 2019.
- (ii) Mr Nkosi is paid a base fee of £55,000 per annum. If Mr Nkosi is appointed to more than two Board Committees, he will be entitled to an additional £5,000 per annum for each Board Committee membership over and above the two included in the annual fee. The appointment letter provides that the fees may be amended to reflect any changes to Mr Nkosi's role which occur during the year. The fees are recoverable by Phembani. This arrangement allows Lonmin to make income tax and national insurance deductions in respect of these fees
- (iii) The appointment letter provides that, if Mr Nkosi is required to spend substantially longer on his duties than his expected time commitment (for example, as a result of a major transaction), Lonmin may at its sole and absolute discretion make one or more specific payments to him in addition to his standard fees.

## 9. FEES AND EXPENSES

- (a) The estimated aggregate fees and expenses expected to be incurred by Sibanye-Stillwater in connection with the Transaction are estimated to amount to approximately R417.5 million (exclusive of VAT and expenses). This aggregate amount comprises of the following (in each case, excluding VAT and expenses):

<u>Category</u>	<u>Amount (R million)</u>
Financial and corporate broking advice .....	238
Legal advice .....	144.9
Accounting and tax advice .....	9.0
Public relations advice .....	—
Other professional services .....	16.1
Other costs and expenses .....	9.5
<b>TOTAL .....</b>	<b><u>417.5</u></b>

- (b) The estimated aggregate fees and expenses expected to be incurred by Lonmin in connection with the Transaction are expected to amount to approximately US\$24.36 million (exclusive of VAT and expenses). This aggregate amount comprises of the following (in each case, excluding VAT and expenses):<sup>(1)</sup>

<u>Category</u>	<u>Amount (US \$ million)</u>
Financial and corporate broking advice <sup>(2)(3)(4)</sup> .....	16.07
Legal advice .....	6.70
Accounting and tax advice .....	—
Public relations advice .....	0.81
Other professional services <sup>(5)</sup> .....	0.50
Other costs and expenses <sup>(5)</sup> .....	0.28
<b>TOTAL .....</b>	<b><u>24.36</u></b>

### Notes:

- (1) Fees and expenses that will be invoiced in other currencies have, for the purposes of this table, been converted into US dollars at an exchange rate derived from Bloomberg as at 4:30 p.m. (UK time) on the Last Practicable Date.
- (2) A proportion of such fees may be payable at the discretion of the Lonmin Board.
- (3) A proportion of such fees are based on the Transaction value at closing and have, for the purposes of this table, been calculated based on the Transaction value as at the Last Practicable Date.
- (4) A proportion of such fees are success-based and payable depending on the outcome of the Transaction.
- (5) These services may vary depending on the service volumes and types of services provided. Amounts included here reflect an estimate of the expected services required.

## 10. OTHER INFORMATION

- (a) Save as disclosed herein, there is no agreement, arrangement or understanding (including any compensation arrangement) between Sibanye-Stillwater or any party acting in concert with Sibanye-Stillwater for the purposes of the Transaction and any of the directors, recent directors, shareholders or recent shareholders of Lonmin which has any connection with, or dependence on, or which is conditional upon the outcome of, the Transaction.
- (b) Save as disclosed herein, there is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Lonmin Shares to be acquired pursuant to the Transaction will be transferred to any person other than Sibanye-Stillwater, but Sibanye-Stillwater reserves the right to transfer any such Lonmin Shares to any member of the Sibanye-Stillwater Group.
- (c) Save as disclosed in this document, in particular in relation to (i) the Pangaea Metal Purchase Agreement entered into between Lonmin and PIM on 19 October 2018 and further described in paragraph 6(b) of this Part IX; and (ii) the update provided in the Chairman's address at Lonmin's annual general meeting on 25 March 2019, as described in section 3 of Part I, there have been no significant changes in the financial or trading position of the Lonmin Group since 30 September 2018 (the date to which the last audited consolidated financial statements of the Lonmin Group have been prepared).
- (d) Save as disclosed in this document, in particular the matters described in paragraph 8 of Part II, there have been no significant changes in the financial or trading position of the Sibanye-Stillwater

Group since 31 December 2018 (the date to which the last reviewed condensed consolidated audited financial statements of the Sibanye-Stillwater Group have been prepared).

- (e) The emoluments of the directors of Sibanye-Stillwater will not be varied as a consequence of the Transaction or by any other associated transaction.
- (f) Each of Gleacher Shacklock, J.P. Morgan Cazenove and Moshe Capital has given and has not withdrawn its written consent to the publication of this document with the inclusion of the references to its name in the form and context in which they appear.
- (g) Each of Qinisele Resources, UBS, HSBC and BDO has given and has not withdrawn its written consent to the publication of this document with the inclusion of the references to its name in the form and context in which they appear.
- (h) Save with the consent of the Panel, settlement of the consideration to which any Lonmin Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Sibanye-Stillwater may otherwise be, or claim to be, entitled as against such Lonmin Shareholder.

## 11. CALCULATIONS AND SOURCES OF INFORMATION

- (a) The closing middle market prices or quotations of Lonmin Shares and Sibanye-Stillwater Shares are derived from the Daily Official List.
- (b) The value placed by the Transaction and attributed to the entire share capital of Lonmin is calculated:
  - (i) by reference to the price of R14.33 per Sibanye-Stillwater Share, being the Closing Price of a Sibanye-Stillwater Share on the Johannesburg Stock Exchange for the period ended on the Last Practicable Date; and
  - (ii) on the basis of the fully diluted number of Lonmin Shares in issue referred to in paragraph 11(e) of this Part IX.
- (c) The percentage of the share capital of the Enlarged Sibanye-Stillwater Group that will be owned by Lonmin Shareholders (being 10.9 per cent.) is calculated by dividing the number of New Sibanye-Stillwater Shares to be issued pursuant to the terms of the Transaction referred to in paragraph 11(g)(ii) of this Part IX by the issued share capital of the Enlarged Sibanye-Stillwater Group (as set out in paragraph 11(g) of this Part IX) and multiplying the resulting sum by 100 to produce a percentage.
- (d) As at close of business on the Last Practicable Date, Lonmin had in issue 282,784,288 Lonmin Shares and Sibanye-Stillwater had in issue 2,379,607,141 Sibanye-Stillwater Shares.
- (e) The fully diluted share capital of Lonmin (being 291,922,388 Lonmin Shares) is calculated as the sum of:
  - (i) the number of Lonmin Shares referred to in paragraph 11(d) of this Part IX; and
  - (ii) any further Lonmin Shares which may be issued on or after the date of the Announcement on the exercise of options or vesting of awards under the Lonmin Share Plans granted on or before the publication of this document, amounting in aggregate to 9,166,403 Lonmin Shares, less any Lonmin Shares held in the Lonmin Employee Benefit Trust (being 28,303 Lonmin Shares).
- (f) On the Last Practicable Date, neither Lonmin nor Sibanye-Stillwater holds any shares in treasury.
- (g) The share capital of the Enlarged Sibanye-Stillwater Group (being 2,671,529,529) has been calculated as the sum of:
  - (i) 2,379,607,141 Sibanye-Stillwater Shares, being the number of Sibanye-Stillwater Shares in issue as at close of business on the Last Practicable Date; and
  - (ii) 291,922,388 New Sibanye-Stillwater Shares which would be issued pursuant to the terms of the Transaction (being one New Sibanye-Stillwater Share to be issued per Lonmin Share multiplied by the fully diluted share capital of Lonmin as set out in paragraph 11(e) of this Part IX).

- (h) Unless otherwise stated, all prices and Closing Prices for Lonmin Shares are closing middle market quotations derived from the Official List of the London Stock Exchange.
- (i) Unless otherwise stated, all prices and Closing Prices for Sibanye-Stillwater Shares are closing middle market quotations derived from Bloomberg.
- (j) The volume weighted average prices of a Lonmin Share and a Sibanye-Stillwater Share are derived from Bloomberg.
- (k) Unless otherwise stated, the financial information relating to Lonmin has been extracted or derived (without material adjustment) from the audited consolidated financial statements of the Lonmin Group for the financial years ended 30 September 2018, 30 September 2017 and 30 September 2016 and Lonmin's unaudited interim results for the six months ended 31 March 2018, each prepared in accordance with IFRS as adopted by the European Union.
- (l) Unless otherwise stated, the financial information relating to Sibanye-Stillwater has been extracted or derived (without material adjustment) from the audited consolidated financial statements of the Sibanye-Stillwater Group for the financial years ended 31 December 2018 and 31 December 2017.
- (m) Where amounts are shown in both South African Rand and Sterling, US Dollar and Sterling, South African Rand and US Dollar or converted between the aforementioned currencies, in this document, exchange rates of £1.00/R18.511, £1.00/US\$1.293 and US\$1/R14.314, respectively, have been used, which have been derived from data quoted by Bloomberg as at 4:30 p.m. (UK time) on the Last Practicable Date.
- (n) Earnings per share figures are stated exclusive of exceptional and extraordinary items where these have been disclosed.
- (o) The timing expectations set out in this document assume that the Transaction would become Effective in the first half of 2019.
- (p) Certain figures included in this document have been subject to rounding adjustments.

## 12. DOCUMENTS AVAILABLE ON WEBSITES

Copies of the following documents are available on Lonmin's website at <https://www.lonmin.com/investors/sibanye-stillwater-offer/documents> and Sibanye's website at <https://www.sibanyestillwater.com/investors/transactions/lonmin> until and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, if earlier):

- (a) this document, including the report of BDO and the report of UBS and HSBC on the Revised Quantified Financial Benefits Statement (included in Appendix 1 to this document);
- (b) the Lonmin Articles;
- (c) a draft copy of the Lonmin Articles as proposed to be amended at the Lonmin General Meeting by the Special Resolution set out in the Notice of the Lonmin General Meeting in Part XII of this document;
- (d) the memorandum of incorporation of Sibanye-Stillwater;
- (e) the audited consolidated financial statements of the Sibanye-Stillwater Group for the financial years ended 31 December 2018 and 31 December 2017;
- (f) the Form 20-F filing of the Sibanye-Stillwater Group for the financial year ended 31 December 2018 as filed with the US Securities and Exchange Commission on 8 April 2019;
- (g) the unaudited first quarter 2019 production report and business update of the Lonmin Group;
- (h) the audited consolidated financial statements of the Lonmin Group for the financial years ended 30 September 2018 and 30 September 2017;
- (i) a copy of the written consent from each of UBS, HSBC, Qinisele Resources and BDO, referred to in paragraph 10 of this Part IX;
- (j) a copy of the written consents from each of J.P. Morgan Cazenove, Gleacher Shacklock, and Moshe Capital referred to in paragraph 10 of this Part IX;

- (k) copies of the Original Irrevocable Undertakings and the Revised Irrevocable Undertakings referred to in paragraph 5 of this Part IX;
- (l) a copy of each of the Forms of Proxy;
- (m) a copy of the terms and conditions of the Dealing Facility referred to in paragraph 2 of Part V of this document;
- (n) a copy of the Confidentiality Agreement referred to in paragraph 7 of this Part IX;
- (o) a copy of the Co-operation Agreement referred to in paragraph 7 of this Part IX;
- (p) a copy of the amendment agreement to the Co-operation Agreement referred to in paragraph 7 of this Part IX;
- (q) a copy of the Regulatory Clean Team Protocol referred to in paragraph 7 of this Part IX;
- (r) a copy of the Due Diligence Clean Team Protocol referred to in paragraph 7 of this Part IX;
- (s) a copy of the Sibanye-Stillwater Circular;
- (t) a copy of the written consent from each of UBS, HSBC, Qinisele Resources, Linklaters and ENSafrica in relation to the inclusion of their names in the Sibanye-Stillwater Circular; and
- (u) a copy of the Announcement.

Dated: 25 April 2019

**PART X  
DEFINITIONS**

<b>“2012 Class Actions”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“2004 Mining Charter”</b> .....	the broad-based socio-economic empowerment charter for the South African mining and minerals industry, published by the Department of Mineral Resources and which became effective on 1 May 2004
<b>“2010 Mining Charter”</b> .....	the broad-based socio-economic empowerment charter for the South African mining and minerals industry, published by the Department of Mineral Resources and which became effective on 13 September 2009
<b>“2018 Mining Charter”</b> .....	the broad-based socio-economic empowerment charter for the mining and minerals industry, published by the Department of Mineral Resources and which became effective on 27 September 2018
<b>“2017 Senior Notes”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“2017 USD Consent and Waiver Letter”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“2017 ZAR Consent and Waiver Letter”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“2022 Notes”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“2023 Convertible Bond”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“2025 Notes”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“2022 and 2025 Senior Notes”</b> ....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Admission”</b> .....	admission of the New Sibanye-Stillwater Shares to listing and trading on the Main Board of the Johannesburg Stock Exchange
<b>“Admission Date”</b> .....	has the meaning given in Expected Timetable of Principal Events in Part I
<b>“ADSs”</b> .....	American Depositary Shares
<b>“Advance Amount”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“AMCU”</b> .....	the Association of Mineworkers and Construction Union
<b>“Anglo American Platinum”</b> .....	Anglo American Platinum Limited (Registration number 1946/022452/06), a public company duly incorporated and registered under the laws of South Africa



<b>“Announcement”</b> .....	the announcement of the Transaction, dated 14 December 2017, by Sibanye-Stillwater in accordance with Rule 2.7 of the Takeover Code
<b>“annual exempt amount”</b> .....	has the meaning given in paragraph 1 of Part VIII of this document
<b>“Aquarius Platinum”</b> .....	Aquarius Platinum Limited (registration number 26290), an exempted company duly incorporated and registered under the laws of Bermuda
<b>“Arxo”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“ASAP”</b> .....	has the meaning given in paragraph 17 of Part II of this document
<b>“Authorisation” or “Authorisations”</b> .....	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
<b>“BBBEE”</b> .....	the broad-based black economic empowerment policy of the Government of South Africa, as articulated in the BEE Legislation
<b>“BBBEE Act”</b> .....	the South African Broad-Based Black Economic Empowerment Act, 2003
<b>“BDO”</b> .....	BDO LLP, Sibanye-Stillwater’s reporting accountant
<b>“BEE Legislation”</b> .....	the BBBEE Act, the MPRDA, the Codes and the Mining Charter as in force from time to time
<b>“Blitz Project”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Board Committee”</b> .....	the committees of the Lonmin Board
<b>“Bridge Facility Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“BSC”</b> .....	has the meaning given in paragraph 8 of Part IX of this document
<b>“BTT”</b> .....	Bulk Tailings Treatment
<b>“BTT Metals Purchaser”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“BTT MPA”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“BTT Project”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“BTT Sellers”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Business Day”</b> .....	any day (other than a Saturday, Sunday or public holiday) on which banks are open for general business in London and Johannesburg

<b>“CACSA”</b> .....	Competition Appeal Court of South Africa
<b>“Cash Placing”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“certificated” or “certificated form”</b> .....	not in uncertificated form (that is, not in CREST or Strate)
<b>“CFR”</b> .....	has the meaning given in Part VI of this document
<b>“Closing Price”</b> .....	the closing middle market quotations of the relevant share derived from the Daily Official List for the Lonmin Share price and/or the Sibanye-Stillwater Share price (as applicable)
<b>“CMA” or “Competition and Markets Authority”</b> .....	the UK Competition and Markets Authority
<b>“CMA Phase 2 Reference”</b> .....	a reference of the Transaction to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 (including as a result of the acceptance or rejection of undertakings in lieu of a reference)
<b>“Codes”</b> .....	the Codes of Good Practice on Broad-Based Black Economic Empowerment, as in force from time to time and promulgated under the BBBEE Act, and any other sectoral code of good practice published in the Government Gazette in terms of the aforementioned Codes, including but not limited to the Mining Charter
<b>“Common Monetary Area”</b> .....	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswatini
<b>“Completion”</b> .....	completion of the Transaction
<b>“Computershare”</b> .....	SA Transfer Secretaries Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07)
<b>“Computershare Nominee”</b> .....	Computershare Nominees Proprietary Limited of Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa (PO Box 61051, Marshalltown 2107, South Africa)
<b>“Conditions”</b> .....	the conditions to the implementation of the Transaction, as set out in Part III of this document
<b>“Confidentiality Agreement”</b> .....	has the meaning given in paragraph 18 of Part II of this document
<b>“Co-operation Agreement”</b> .....	the agreement dated 14 December 2017 (as amended on 15 January 2019) between Sibanye-Stillwater and Lonmin relating to, among other things, the implementation of the Transaction
<b>“Court”</b> .....	the High Court of Justice in England and Wales
<b>“Court Meeting”</b> .....	the meeting of Scheme Shareholders convened pursuant to an order of the Court under the UK Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof, notice of which is attached at the end of this document
<b>“CREST”</b> .....	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations)

<b>“CREST Manual”</b> .....	the CREST manual referred to in agreements entered into by Euroclear
<b>“CREST Proxy Instruction”</b> .....	the appropriate CREST message properly authenticated in accordance with Euroclear’s specifications and which contains the information required for such instructions, as described in the CREST Manual
<b>“CREST sponsor”</b> .....	a CREST participant admitted to CREST as a CREST sponsor
<b>“CREST sponsored member”</b> .....	a CREST member admitted to CREST as a sponsored member (which includes all CREST personal members)
<b>“CSDP”</b> .....	a central securities depository participant, a participant as defined in the South African Financial Markets Act, 19 of 2012 (as amended)
<b>“Daily Official List”</b> .....	the daily official list of the London Stock Exchange
<b>“Dealing Disclosure”</b> .....	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer
<b>“Dealing Facility”</b> .....	has the meaning given in paragraph 2 of Part V of this document
<b>“Defendants”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“Department of Mineral Resources”</b> .....	the South African Department of Mineral Resources
<b>“Deposit Agreement”</b> .....	the deposit agreement, dated 31 January 1995, as amended and restated as of 25 February 2002, by and among Lonmin, the Lonmin Depository and all holders from time to time of Lonmin ADSs issued thereunder
<b>“Disclosed”</b> .....	the information fairly disclosed by, or on behalf of, Lonmin (i) in the annual report and accounts of the Lonmin Group for the financial year ended 30 September 2017; (ii) in this Announcement; (iii) in any other announcement to a Regulatory Information Service by, or on behalf of, Lonmin prior to the date of the Announcement; or (iv) as otherwise fairly disclosed in writing to Sibanye-Stillwater (or its respective officers, employees, agents or advisers in their capacity as such) prior to the date of the Announcement
<b>“DRDGOLD”</b> .....	DRDGOLD Limited
<b>“Due Diligence Clean Team Protocol”</b> .....	the due diligence clean team protocol put in place by Sibanye-Stillwater and Lonmin in relation to the disclosure of competitively sensitive confidential information between Sibanye-Stillwater and Lonmin and their professional advisers in connection with the Transaction
<b>“Effective”</b> .....	the Scheme becoming effective in accordance with its terms
<b>“Effective Date”</b> .....	the date on which the Scheme becomes effective in accordance with its terms, which is expected to be after 6:00 p.m. (UK time) on 7 June 2019, and <b>“Effective Time”</b> means the time on such date at which the Scheme becomes effective

<b>“Eligible Dealing Facility Participant”</b> .....	a Lonmin Shareholder who is eligible to participate in the Free Share Dealing Service, as set out in paragraph 2 of Part V of this document and the terms and conditions of the Dealing Facility
<b>“Enlarged Sibanye-Stillwater Group”</b> .....	Sibanye-Stillwater and its subsidiary undertakings following the Transaction becoming effective
<b>“ENSafrica”</b> .....	Edward Nathan Sonnenberg Inc. (Registration No.2006/018200/21) a personal liability company incorporated under the laws of South Africa
<b>“EPL”</b> .....	Eastern Platinum Limited
<b>“Equiniti”</b> .....	Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom, the UK Registrar
<b>“ETD1”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Euroclear”</b> .....	Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738
<b>“Exchange Ratio”</b> .....	0.967 New Sibanye-Stillwater Shares for each Lonmin Share
<b>“Explanatory Statement”</b> .....	the explanatory statement relating to the Scheme, as set out in Part II of this document, which together with the documents incorporated therein constitute the explanatory statement relating to the Scheme as required by Section 897 of the UK Companies Act
<b>“Financial Conduct Authority”</b> ....	the United Kingdom Financial Conduct Authority or its successor from time to time
<b>“Financial Markets Act”</b> .....	the South African Financial Markets Act, 19 of 2012 (as amended)
<b>“Form(s) of Proxy”</b> .....	either or both, as the context requires, of the blue form of proxy for use at the Court Meeting and the white form of proxy for use at the Lonmin General Meeting, as the context requires
<b>“Free Share Dealing Service Form”</b> .....	a free share dealing service form for use by Eligible Dealing Facility Participants in relation to the Dealing Facility
<b>“Gauteng Division High Court”</b> ...	the Gauteng division of the High Court of South Africa
<b>“Gleacher Shacklock”</b> .....	Gleacher Shacklock LLP, Lonmin’s Rule 3 adviser
<b>“Gold Operations Strike”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“Gold Working Group”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“HDP”</b> .....	historically disadvantaged person
<b>“Holder”</b> .....	a registered holder of shares and includes any person(s) entitled by transmission
<b>“HSBC”</b> .....	HSBC Bank plc

<b>“IFRS”</b> .....	International Financial Reporting Standards
<b>“J.P. Morgan Cazenove”</b> .....	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
<b>“Jiangxi Copper”</b> .....	Jiangxi Copper Corporation
<b>“Johannesburg Stock Exchange”</b> .....	the securities exchange operated by JSE Limited (Registration No. 2005/022939/06), a public company trading as the “Johannesburg Stock Exchange”, duly registered and incorporated under the laws of South Africa and licensed as a securities exchange under the South African Financial Markets Act, 2012
<b>“JSE”</b> .....	JSE Limited, a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the South African Financial Markets Act, 19 of 2012 (as amended)
<b>“JSE Listings Requirements”</b> .....	the listing requirements of the Johannesburg Stock Exchange published under the South African Financial Markets Act, 2012 as amended from time to time
<b>“JSE Record Date”</b> .....	5:00 p.m. (South African standard time) on 12 June 2019
<b>“Kroondal Operations”</b> .....	the underground and surface operations at Kroondal near Rustenburg in South Africa, managed through a 50:50 joint venture with Anglo American Platinum in terms of the Kroondal PSA
<b>“Kroondal PSA”</b> .....	the pooling and sharing agreement concluded between Aquarius Platinum (South Africa) Proprietary Limited (registration number 2000/000341/07) and RPM on or around 15 December 2005, as amended by various addenda thereto
<b>“Labour Court”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“Last Practicable Date”</b> .....	23 April 2019, being the last practicable date prior to the publication of this document
<b>“Link Investor Services”</b> .....	Link Investor Services Proprietary Limited
<b>“Link Market Services”</b> .....	Link Market Services South Africa Proprietary Limited, incorporated and registered in South Africa with registration number 2000/007239/07 and its registered office address at 19 Ameshoff Street, Braamfontein, 2001, the South African Registrars
<b>“Listing Rules”</b> .....	the listing rules and regulations made by the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000, and contained in the Financial Conduct Authority’s publication of the same name, as amended from time to time
<b>“London Stock Exchange”</b> .....	London Stock Exchange plc
<b>“Longstop Date”</b> .....	30 June 2019 or such later date as may be agreed in writing by Sibanye-Stillwater and Lonmin (with the Panel’s consent and as the Court may approve (if such approval(s) are required))

<b>“Lonix”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Lonmin”</b> .....	Lonmin public limited company incorporated in England and Wales with registered number 00103002 and whose registered office is at Connaught House 5th Floor, 1-3 Mount Street, London, W1K 3NB, United Kingdom
<b>“Lonmin ADS Holders”</b> .....	holders of Lonmin ADSs
<b>“Lonmin ADSs”</b> .....	American Depositary Shares, each representing one deposited Lonmin Share, for which The Bank of New York Mellon is the depositary
<b>“Lonmin Articles”</b> .....	the articles of association of Lonmin in force from time to time
<b>“Lonmin Board” or “Lonmin Directors”</b> .....	the board of directors of Lonmin from time to time
<b>“Lonmin Canada”</b> .....	6529241 Canada Inc, a wholly owned subsidiary of Lonmin
<b>“Lonmin Depositary”</b> .....	The Bank of New York Mellon
<b>“Lonmin Employee Benefit Trust”</b> .....	the employee benefit trust established by Lonmin
<b>“Lonmin General Meeting”</b> .....	the general meeting of Lonmin Shareholders convened to consider and, if thought fit, approve various matters in connection with the Transaction, including any adjournment thereof, notice of which is set out at the end of this document
<b>“Lonmin Group”</b> .....	Lonmin and its subsidiary undertakings
<b>“Lonmin Mining Right”</b> .....	has the meaning given in Condition 3(f) as set out in Part III of this document
<b>“Lonmin Register of Members”</b> ...	the register of members of Lonmin, comprising the UK Register and the South African Register
<b>“Lonmin Registrar”</b> .....	the UK Registrar and the South African Registrar, being Equiniti and Link Market Services, respectively
<b>“Lonmin Shareholder Meeting” or “Lonmin Shareholder Meetings”</b> .....	the Court Meeting and/or the Lonmin General Meeting
<b>“Lonmin Shareholders” or “Shareholders”</b> .....	registered Holders of Lonmin Shares from time to time
<b>“Lonmin Share Plans”</b> .....	the LTIP and the ASAP
<b>“Lonmin Shares”</b> .....	the existing unconditionally allotted or issued and fully paid ordinary shares of US\$0.0001 each in the capital of Lonmin and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes effective
<b>“LRA”</b> .....	the South African Labour Relations Act 66 of 1995
<b>“LTIFR”</b> .....	Lost Time Injury Frequency Rate

<b>“LTIP”</b> .....	has the meaning given in paragraph 17 of Part II of this document
<b>“Main Board”</b> .....	the Johannesburg Stock Exchange’s main board for listed securities
<b>“Main Market”</b> .....	the main market of the London Stock Exchange
<b>“Manager”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Merger Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Merger Sub”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Mining Charter”</b> .....	the 2004 Mining Charter, the 2010 Mining Charter and/or the 2018 Mining Charter, as the context may require
<b>“Moshe Capital”</b> .....	Moshe Capital (Pty) Ltd, a private company duly registered and incorporated under the laws of South Africa with registration number 2013/232220/07 and a registered financial services provider with the Financial Sector Conduct Authority
<b>“Moz”</b> .....	millions of ounces
<b>“MPML”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“MPRDA”</b> .....	the South African Mineral and Petroleum Resources Development Act, 2002
<b>“Mvela”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“ND:EBITDA”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“New Sibanye-Stillwater Shares”</b> .....	the Sibanye-Stillwater Shares to be issued by Sibanye-Stillwater to the holders of Scheme Shares under the Scheme
<b>“Nil Rate Amount”</b> .....	has the meaning given in Part VIII of this document
<b>“NOIC”</b> .....	National Oil Infrastructure Company of Zimbabwe (Private) Limited
<b>“Nomination Committee”</b> .....	the nomination committee of Lonmin from time to time
<b>“NUM”</b> .....	the National Union of Mineworkers
<b>“Offer Period”</b> .....	the offer period (as defined by the Takeover Code) relating to Lonmin, which commenced on the date of the Announcement
<b>“Official List”</b> .....	the official list maintained by the Financial Conduct Authority, acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
<b>“Opening Position Disclosure”</b> ...	has the same meaning as in Rule 8 of the Takeover Code

<b>“Operational Review”</b> .....	Lonmin’s operational review announced on 7 August 2017
<b>“Original Irrevocable Undertakings”</b> .....	has the meaning given in paragraph 5 of Part IX of this document
<b>“Original Quantified Financial Benefits Statement”</b> .....	has the meaning given in Appendix 1 to this document
<b>“Overseas Shareholders”</b> .....	holders of Lonmin Shares resident in, or citizens or nationals of, jurisdictions outside the United Kingdom
<b>“Pandora”</b> .....	Pandora Joint Venture
<b>“Panel”</b> .....	the UK Panel on Takeovers and Mergers
<b>“Pangaea Metal Purchase Agreement”</b> .....	has the meaning given in paragraph 3 of Part I of this document
<b>“Petrozim”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“PGM” or “PGMs”</b> .....	platinum group metal(s)
<b>“Phembani”</b> .....	Phembani Group Proprietary Limited
<b>“PIM”</b> .....	Pangaea Investment Management Limited
<b>“Placing Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Prudential Regulation Authority”</b> .....	the United Kingdom Prudential Regulation Authority or its successor from time to time
<b>“PoC”</b> .....	has the meaning given in paragraph 8 of Part II of this document
<b>“Qinisele Resources”</b> .....	Qinisele Resources Proprietary Limited
<b>“qualifying interest”</b> .....	has the meaning given in paragraph 4 of Part VIII of this document
<b>“Register Transfer Deadline”</b> .....	has the meaning given in Expected Timetable of Principal Events in Part I of this document
<b>“Registrar of Companies”</b> .....	the Registrar of Companies of England and Wales
<b>“Regulations”</b> .....	the Uncertificated Securities Regulations 2001 (S.I. No. 2001/3755) (as amended)
<b>“Regulatory Clean Team Protocol”</b> .....	the regulatory clean team protocol put in place by Sibanye-Stillwater and Lonmin in relation to the disclosure of competitively sensitive confidential information between Sibanye-Stillwater’s external legal counsel and/or economists and Lonmin’s external legal counsel and/or economists for the purposes of obtaining the consent of competition authorities and/or other regulatory clearances in connection with the Transaction



<b>“Regulatory Information Service”</b> .....	any of the information services set out in Appendix I to the Listing Rules
<b>“Remuneration Committee”</b> .....	the remuneration committee of Lonmin from time to time
<b>“Restricted Jurisdiction”</b> .....	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if the Scheme or Transaction is extended or made available in that jurisdiction or if information concerning the Scheme or the Transaction is sent or made available in that jurisdiction
<b>“Revised Exchange Ratio”</b> .....	has the meaning given in paragraph 1 of Part I of this document
<b>“Revised Irrevocable Undertakings”</b> .....	has the meaning given in paragraph 5 of Part IX of this document
<b>“Revised Quantified Financial Benefits Statement”</b> .....	has the meaning given in Appendix 1 to this document
<b>“RPM”</b> .....	Rustenburg Platinum Mines Limited
<b>“RPM Sale of Participation Interest Agreement”</b> .....	has the meaning given to it in paragraph 6 of Part IX of this document
<b>“Rustenburg Operations”</b> .....	the Bathoepole, Siphumelele (including Khomanani), and the Thembelani (including Khuseleka) mining operations, two concentrating plants, an onsite chrome recovery plant, the Western Limb Tailings Retreatment Plant, associated surface infrastructure and related assets and liabilities
<b>“SA Competition Tribunal”</b> .....	the Competition Tribunal of South Africa
<b>“Safety, Health &amp; Environment Committee”</b> .....	the safety, health and environment committee of Lonmin from time to time
<b>“Scheme” or “Scheme of Arrangement”</b> .....	the scheme of arrangement proposed to be made under Part 26 of the UK Companies Act between Lonmin and the holders of the Scheme Shares as set out in Part IV of this document, with or subject to any revision, variation, addition or condition approved or imposed by the Court and agreed to in writing by Lonmin and Sibanye-Stillwater
<b>“Scheme Court Hearing”</b> .....	the hearing by the Court of the application to sanction the Scheme
<b>“Scheme Court Order”</b> .....	the order of the Court sanctioning the Scheme under Part 26 of the UK Companies Act
<b>“Scheme Record Time”</b> .....	6:00 p.m. (UK time) on the Effective Date
<b>“Scheme Shareholders”</b> .....	Holders of Scheme Shares
<b>“Scheme Shares”</b> .....	the Lonmin Shares: (i) in issue at the date of the Scheme;

- (ii) (if any) issued after the date of the Scheme and prior to the Voting Record Time; and
- (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time on terms that the original or any subsequent Holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent Holder thereof is or shall have agreed in writing to be bound by the Scheme,

excluding, with respect to references in the Scheme to voting at the Court Meeting, any Scheme Shares referred to in paragraph (iii) above.

<b>“SDRT”</b> .....	stamp duty reserve tax
<b>“Secondary Strike”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“Section 189A Consultation”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“SENS”</b> .....	the stock exchange news service of the JSE
<b>“Settlement Agreement”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“Sibanye-Stillwater”</b> .....	Sibanye Gold Limited, trading as Sibanye-Stillwater
<b>“Sibanye-Stillwater Circular”</b> .....	the shareholder circular published by Sibanye-Stillwater on or around the date of this document
<b>“Sibanye-Stillwater Group”</b> .....	Sibanye-Stillwater and its subsidiary undertakings from time to time
<b>“Sibanye-Stillwater Shareholder Meeting”</b> .....	the general meeting of Sibanye-Stillwater, including any adjournment thereof, convened for 28 May 2019 to approve, <i>inter alia</i> , the issue and allotment of the New Sibanye-Stillwater Shares as the consideration payable for the Transaction
<b>“Sibanye-Stillwater Shareholders”</b> .....	Holders of Sibanye-Stillwater Shares from time to time
<b>“Sibanye-Stillwater Shares”</b> .....	the ordinary shares of no par value in the issued share capital of Sibanye-Stillwater
<b>“Significant Interest”</b> .....	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in Section 548 of the UK Companies Act) of such undertaking
<b>“SLP”</b> .....	social and labour plan
<b>“Social, Ethics &amp; Transformation Committee”</b> .....	the social, ethics and transformation committee of Lonmin from time to time
<b>“South Africa”</b> .....	the Republic of South Africa
<b>“South African Exchange Control Regulations”</b> .....	the South African Exchange Control Regulations, 1961 (as amended) promulgated in terms of Section 9 of the South African Currency and Exchanges Act, 9 of 1993 (as amended)
<b>“South African Register”</b> .....	the branch register of members of Lonmin within the meaning of Section 129 of the UK Companies Act kept and maintained on behalf of Lonmin by Link Market Services, the South African Registrar

<b>“South African Registrar”</b> . . . . .	Link Market Services, the registrars of Lonmin in South Africa
<b>“Special Resolution”</b> . . . . .	the special resolution to be proposed by Lonmin at the Lonmin General Meeting in connection with, among other things, the alteration of the Lonmin Articles and such other matters as are necessary to implement the Scheme and the Transaction
<b>“Sprott Holdco”</b> . . . . .	2176423 Ontario Ltd, a company beneficially owned by Mr Eric Sprott
<b>“SRPM”</b> . . . . .	Sibanye Rustenburg Platinum Mines (Proprietary) Limited
<b>“Stillwater”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document
<b>“Stillwater Shares”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document
<b>“Strate”</b> . . . . .	the settlement and clearing system used by the Johannesburg Stock Exchange, managed by Strate Proprietary Limited (Registration Number 1998/022242/07), a limited liability company duly incorporated and registered under the laws of South Africa
<b>“Strate Nominee”</b> . . . . .	PLC Nominees Proprietary Limited, incorporated and registered in South Africa with registration number 1998/002235/07, a company indirectly wholly owned by Strate
<b>“Streaming Agreement”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document
<b>“STT”</b> . . . . .	Securities Transfer Tax
<b>“Takeover Code”</b> . . . . .	the City Code on Takeovers and Mergers
<b>“Takeover Offer”</b> . . . . .	should the Transaction be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the UK Companies Act, the offer to be made by or on behalf of Sibanye-Stillwater (and/or a wholly owned subsidiary of Sibanye-Stillwater) to acquire the entire issued and to be issued ordinary share capital of Lonmin and, where the context admits, any subsequent revision, variation, extension or renewal of such takeover offer
<b>“TERP”</b> . . . . .	Theoretical Ex-Rights Price
<b>“Thakadu”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document
<b>“Tharisa”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document
<b>“Tharisa Minerals”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document
<b>“Tharisa PGM Concentrate Sales Agreement”</b> . . . . .	has the meaning given in paragraph 6 of Part IX of this document

<b>“Third Party”</b> .....	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (and <b>“Third Parties”</b> shall be construed accordingly)
<b>“TNW”</b> .....	has the meaning given in paragraph 3 of Part I of this document
<b>“Transaction”</b> .....	the recommended all-share offer being made by Sibanye-Stillwater to acquire the entire issued and to be issued ordinary share capital of Lonmin, to be effected by means of the Scheme (or by way of a Takeover Offer in certain circumstances described in this document) and, where context permits, any subsequent revision, variation, extension or renewal thereof
<b>“UASA”</b> .....	The United Association of South Africa
<b>“UBS”</b> .....	UBS AG, London Branch and UBS South Africa (Pty) Ltd
<b>“UK” or “United Kingdom”</b> .....	the United Kingdom of Great Britain and Northern Ireland
<b>“UK Companies Act”</b> .....	the UK Companies Act 2006, as amended
<b>“UK Register”</b> .....	the principal register of members within the meaning of Section 113 of the UK Companies Act of Lonmin kept and maintained on behalf of Lonmin by the UK Registrar
<b>“UK Registrar”</b> .....	Equiniti, the registrars of Lonmin in the United Kingdom
<b>“uncertificated” or “in uncertificated form”</b> .....	in relation to a share or other security, a share or other security title to which is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST or Strate, as applicable, and title to which may be transferred by means of CREST or Strate, as applicable
<b>“Underlying SA Shareholder”</b> ....	the holder of a beneficial entitlement to Lonmin Shares or New Sibanye-Stillwater Shares (as applicable) held in uncertificated form through the Strate system at the relevant time with respect to whom the registered holder of the relevant Lonmin Shares is the Strate Nominee and with respect to whom the registered holder of the relevant New Sibanye-Stillwater Shares is the CSDP, broker or custodian (as applicable) duly appointed by such Underlying SA Shareholder
<b>“US” or “United States”</b> .....	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia, and all other areas subject to its jurisdiction
<b>“US Class Action”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“US Exchange Act”</b> .....	the US Securities Exchange Act of 1934, as amended
<b>“US Securities Act”</b> .....	the United States Securities Act 1933, as amended
<b>“USD Facilities Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document

<b>“USD Revolving Facility Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Voting Record Time”</b> .....	6:30 p.m. (UK time) on 23 May 2019 or, if the meeting is adjourned, 6:30 p.m. (UK time) on the day which is two Business Days before such adjourned meeting
<b>“VWAP”</b> .....	volume-weighted price average
<b>“Wage Agreement”</b> .....	has the meaning give in paragraph 8 of Part II of this document
<b>“Wheaton International”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“Wider Lonmin Group”</b> .....	Lonmin and associated undertakings and any other body corporate, partnership, joint venture or person in which Lonmin and such undertakings (aggregating their interests) have a Significant Interest
<b>“Wider Sibanye-Stillwater Group”</b> .....	Sibanye-Stillwater and associated undertakings in which Sibanye-Stillwater has a Significant Interest and any other body corporate, partnership, joint venture or person in which Sibanye-Stillwater and all such undertakings (aggregating their interests) have a Significant Interest
<b>“WPL”</b> .....	Western Platinum (RF) Proprietary Limited
<b>“ZAR Facility Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document
<b>“ZAR Revolving Facility Agreement”</b> .....	has the meaning given in paragraph 6 of Part IX of this document

For the purposes of this document, in relation to Lonmin, “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the UK Companies Act and, in relation to Sibanye-Stillwater, “**subsidiary**” has the meaning given thereto by the South African Companies Act.

All references to “**Sterling**”, “**£**”, “**pence**” and “**p**” are to the lawful currency of the United Kingdom.

All references to “**US Dollar**”, “**US\$**” and “**\$**” are to the lawful currency of the United States.

All references to “**CAN\$**” are to the lawful currency of Canada.

All references to “**R**”, “**Rand**”, “**South African Rand**” and “**ZAR**” are to the lawful currency of South Africa.

All the times referred to in this document are UK times unless otherwise stated.

References to the singular include the plural and vice versa.

References to “**broker**” shall be deemed to include nominees, custodians, trustees or other persons, as relevant.

**PART XI  
NOTICE OF COURT MEETING**

CR-2018-010176

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF  
ENGLAND AND WALES  
COMPANIES COURT (ChD)  
Deputy Insolvency and Companies Court Judge Schaffer**

**IN THE MATTER OF LONMIN PUBLIC LIMITED COMPANY  
and  
IN THE MATTER OF THE COMPANIES ACT 2006**

NOTICE IS HEREBY GIVEN that, by an Order dated 14 December 2018 made in the above matters, the Court has directed a meeting (the “**Court Meeting**”) to be convened of the Scheme Shareholders (as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 (the “**Scheme of Arrangement**”) proposed to be made between Lonmin Plc (the “**Company**”) and the Scheme Shareholders and that such Court Meeting will be held at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG on 28 May 2019 at 11:30 a.m. (UK time) at which place and time all Scheme Shareholders are requested to attend.

A copy of the Scheme of Arrangement and a copy of the statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

**Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person as their proxy to attend and vote on their behalf. A proxy need not be a member of the Company.**

A blue Form of Proxy (as defined in the Scheme of Arrangement) for voting at the Court Meeting is enclosed with this Notice.

Scheme Shareholders entitled to attend and vote at the Court Meeting who hold their Scheme Shares (as defined in the Scheme of Arrangement) on the UK Register (as defined in the Scheme of Arrangement) in uncertificated form through CREST (as defined in the Scheme of Arrangement) may appoint a proxy or proxies through the CREST electronic proxy appointment service (under credit participant ID – RA19) by using the procedures described in the CREST Manual (available at [www.euroclear.com](http://www.euroclear.com)).

Alternatively, a Scheme Shareholder on the UK Register or a Scheme Shareholder registered on the South African Register (as defined in the Scheme of Arrangement) holding Scheme Shares in certificated form may register the appointment of a proxy electronically by logging on to the website [www.sharevote.co.uk](http://www.sharevote.co.uk) and using their Voting ID, Task ID and Shareholder Reference Number. Full details of the procedure are given on that website.

**Completion and return of a blue Form of Proxy, or the appointment of a proxy through CREST, or electronically through [www.sharevote.co.uk](http://www.sharevote.co.uk), will not prevent a Scheme Shareholder from attending and voting at the Court Meeting, or any adjournment thereof, in person if he/she wishes to do so.**

In the case of joint holders of Scheme Shares, any one such joint holder may tender a vote, whether in person or by proxy, at the Court Meeting, but if more than one such joint holder shall tender a vote, the vote of the person named first in the register of members of the Company shall be accepted to the exclusion of the other joint holder(s).

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Scheme Shareholders are also entitled to appoint more than one proxy. A space has been included in

the blue Form of Proxy to allow Scheme Shareholders to specify the number of Scheme Shares in respect of which that proxy is appointed. Scheme Shareholders who return a blue Form of Proxy duly executed but leave this space blank shall be deemed to have appointed a proxy in respect of all of their Scheme Shares.

Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should photocopy the blue Form of Proxy or contact the relevant Registrar (as defined in the Scheme of Arrangement) for further Forms of Proxy.

If a Scheme Shareholder appoints more than one proxy, each proxy must be appointed to exercise the right attached to a different Scheme Share or Scheme Shares held by that Scheme Shareholder. More than one proxy may not be appointed to exercise the rights attaching to any one share. Where two or more valid appointments of proxy are received in respect of the same shares, the one which is last sent shall be treated as replacing and revoking the other.

It is requested that Forms of Proxy be lodged by post or, during normal business hours only, by hand with one of:

- (a) in the case of Scheme Shareholders on the Company's UK Register, the registrar for the Company in the United Kingdom, Equiniti Limited, at the address specified on the Form of Proxy; or
- (b) in the case of Scheme Shareholders on the Company's South African Register, the Company's registrar in South Africa, Link Market Services, at the address specified on the Form of Proxy,

in each case, by 11:30 a.m. (UK time) (being 12:30 p.m. South African standard time) on 23 May 2019 (or, in the case of an adjournment, not later than 48 hours (excluding any part of a day that is a non-working day) before the time fixed for the holding of the adjourned meeting), but if forms are not so lodged, they may be handed to Equiniti Limited or the Chairman at the Court Meeting before the start of the Court Meeting.

Forms of Proxy are pre-addressed and may be posted without an envelope to Equiniti Limited or Link Market Services using the address included thereon. If you would prefer to send your Forms of Proxy using an envelope, the envelope should be sent to the following freepost address: (i) for Lonmin Shareholders holding Lonmin Shares registered on the UK Register: The Registrar for Lonmin plc, Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 8LU; or (ii) for Lonmin Shareholders holding Lonmin Shares registered on the South African Register: Link Market Services South Africa, Proprietary Limited, P.O. Box 4844, Johannesburg, 2000, South Africa.

Proxies submitted either through CREST or electronically must be received by Equiniti Limited no later than 11:30 a.m. (UK time) on 23 May 2019 or (as the case may be) no later than 48 hours (excluding any part of a day that is a non-working day) prior to the time and date fixed for the holding of any adjourned meeting. For proxies submitted through CREST, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host (in this context, Equiniti Limited)) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Underlying SA Shareholders are not Scheme Shareholders and cannot therefore vote directly. However, if any Underlying SA Shareholders would prefer to vote or attend the Court Meeting, they should refer to the instructions contained in the Scheme Circular. By the Order, the Court has specified that entitlements to attend and vote at the said Court Meeting of the Scheme Shareholders and the number of votes which may be cast thereat will be determined by reference to the Register of Members as at 6:30 p.m. (UK time) on 23 May 2019 or, in the event that the said Court Meeting is adjourned, the register of members of the Company as at 6:30 p.m. (UK time) on the day that is two Business Days (as defined in the Scheme of Arrangement) prior to the date of any adjourned Court Meeting.

Voting at the Court Meeting will be conducted on a poll and not a show of hands.

By the Order, the Court has appointed Brian Beamish or, failing him, Jonathan Leslie or, failing him, Varda Shine, or failing her, Gillian Fairfield, or failing her, any other director of the Company to act as Chairman of the Court Meeting and has directed the Chairman to report the results thereof to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated: 25 April 2019

Herbert Smith Freehills LLP  
Exchange House  
Primrose Street  
London EC2A 2EG  
*Solicitors for the Company*

**Nominated persons**

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “**nominated person**”) does not, in that capacity, have a right to appoint a proxy, such right only being exercisable by Scheme Shareholders. However, nominated persons may, under an agreement between him/her and the Scheme Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Scheme Shareholder as to the exercise of voting rights.



**PART XII**  
**NOTICE OF GENERAL MEETING**

**Lonmin Plc**

*(Registered in England and Wales with registered number 00103002)*  
**(the “Company”)**

**NOTICE IS HEREBY GIVEN** that a General Meeting of the Company will be held on 28 May 2019 at The Royal Society, 6-9 Carlton House Terrace, London, SW1Y 5AG at 11:45 a.m. (UK time) (or as soon thereafter as the Court Meeting (as defined in the document of which this Notice forms part) has concluded or been adjourned) to consider and, if thought fit, pass the following resolution, which will be proposed as a special resolution:

**Special Resolution**

**1. THAT:**

- (A) for the purpose of giving effect to the scheme of arrangement dated 25 April 2019 (the “**Scheme**”) between the Company and its Scheme Shareholders (as defined in the Scheme), in its original form or subject to such modification, addition or condition agreed between the Company and Sibanye Gold Limited trading as Sibanye-Stillwater (“**Sibanye-Stillwater**”) and approved or imposed by the Court, a print of which has been produced to this General Meeting and (for the purpose of identification only) signed by the Chairman, the Scheme be approved in its original form or subject to such modification, addition or condition agreed between the Company and Sibanye-Stillwater, and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (B) with effect from the passing of this resolution, the articles of association of the Company be amended by including the following new article as article 141:

**“141 Scheme of Arrangement**

- (1) In this Article 141, references to the “**Scheme**” means the scheme of arrangement dated 25 April 2019 under Part 26 of the Companies Act 2006, between the Company and the Scheme Shareholders (as defined in the Scheme), in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Sibanye Gold Limited trading as Sibanye-Stillwater (“**Sibanye-Stillwater**”) and (save as defined in this Article 141) expressions defined in the Scheme shall have the same meaning in this Article 141.
- (2) Notwithstanding any other provision of these Articles, if the Company issues any shares (other than to Sibanye-Stillwater or any person identified by written notice to the Company by Sibanye-Stillwater as its nominee(s)) on or after the adoption of this Article 141 and prior to the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such shares shall be bound by the Scheme accordingly.
- (3) Notwithstanding any other provision of these Articles and, subject to the Scheme becoming Effective, if any shares are issued to any person (other than under the Scheme, to Sibanye-Stillwater or any person identified by written notice to the Company by Sibanye-Stillwater as its nominee(s)) (a “**New Member**”) on or after the Scheme Record Time (the “**Post-Scheme Shares**”), they shall be immediately transferred to Sibanye-Stillwater (or as Sibanye-Stillwater may otherwise direct) in consideration of (subject as hereinafter provided) the allotment and issue or transfer to the New Member of such number of new Sibanye-Stillwater ordinary shares (the “**Consideration Shares**”) (together with payment of any cash in respect of fractional entitlements, if any) for each Post-Scheme Share equal to the consideration per Scheme Share which that New Member would have been entitled to pursuant to the Scheme had each Post-Scheme Share been a Scheme Share, subject to Article 141(5).
- (4) The Consideration Shares allotted and issued or transferred to a New Member pursuant to Article 141(3) shall be credited as fully paid and shall rank *pari passu* in all respects with all

other fully paid ordinary shares in Sibanye-Stillwater in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment or transfer).

- (5) If, in respect of any New Member with a registered address outside the United Kingdom, South Africa or the United States or whom Sibanye-Stillwater reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, South Africa or the United States, Sibanye-Stillwater is advised that the allotment and/or issue or transfer of the Consideration Shares pursuant to this Article 141 would or may infringe the laws of such jurisdiction, or would or may require the Company or Sibanye-Stillwater to comply with any governmental or other consent or any registration, filing or other formality with which the Company or Sibanye-Stillwater is unable to comply or compliance with which the Company or Sibanye-Stillwater regards as unduly onerous, then Sibanye-Stillwater may, in its sole discretion, determine that such Consideration Shares shall be sold or a cash amount equal to the value of the Consideration Shares shall be paid to the New Member. In the event that the Consideration Shares are to be sold, Sibanye-Stillwater shall appoint a person to act as attorney or agent for the New Member, pursuant to this Article 141, and such person shall be authorised on behalf of such New Member to procure that any Consideration Shares in respect of which Sibanye-Stillwater has made such determination shall, as soon as practicable following the allotment, issue or transfer of such Consideration Shares, be sold (including being authorised to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member). The net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale), or the cash amount equal to the value of the Consideration Shares, shall be paid to the person(s) entitled thereto in due proportions as soon as practicable, save that any fractional cash entitlements shall be rounded down to the nearest ZAR cent. In the case of New Members whose Consideration Shares are registered on the register of members of the Company in the United Kingdom, such net proceeds of sale due to such New Member shall be converted from South African Rand to Sterling at an exchange rate (rounded down to two decimal places) that is determined by Sibanye-Stillwater (or its nominee(s)) and paid (after the deduction of all costs and expenses incurred in respect of currency conversion and related transfers) to the person(s) entitled thereto in due proportions, rounded down to the nearest Sterling penny. Any sums retained as a result of the rounding down of such payments to the nearest Sterling penny shall be donated to charity.
- (6) On any reorganisation of, or material alteration to, the share capital of either the Company or Sibanye-Stillwater (including, without limitation, any subdivision and/or consolidation) effected after the Effective Date, the number of Consideration Shares to be allotted and issued or transferred to a New Member for each Post-Scheme Share pursuant to Article 141(3) may be adjusted by the directors of the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article 141 to Consideration Shares shall, following such adjustment, be construed accordingly.
- (7) To give effect to any transfer of Post-Scheme Shares, the Company or Sibanye-Stillwater may appoint any person as attorney or agent for the New Member to transfer the Post-Scheme Shares to Sibanye-Stillwater (and/or its nominee(s)) and to do all such other things and execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of Sibanye-Stillwater (and/or its nominee(s)) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney or agent be necessary or desirable to vest the Post-Scheme Shares in Sibanye-Stillwater (and/or its nominee(s)) and, pending such vesting, to exercise all such rights attaching to the Post-Scheme Shares as Sibanye-Stillwater may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of Sibanye-Stillwater) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by Sibanye-Stillwater. The Company may give a good receipt for the consideration of the Post-Scheme Shares and may register Sibanye-Stillwater (and/or its nominee(s)) as holder and issue to it

certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares.

- (8) The aggregate number of Post-Scheme Shares to which a New Member is entitled pursuant to Article 141(3) shall in each case be rounded down to the nearest whole number. No fraction of a Consideration Share shall be allotted, issued or transferred to any New Member pursuant to this Article 141. Any fraction of a Consideration Share to which a New Member would otherwise have become entitled shall be aggregated with the fractional entitlements of any other New Members whose Post-Scheme Shares are being transferred under this Article 141 on the same date and dealt with in the same manner as the directors of Sibanye-Stillwater shall determine (including being sold in the market and the net proceeds of sale (after the deduction of all expenses and commissions incurred in connection with such sale), or such other amount as the directors of Sibanye-Stillwater shall determine being paid in due proportions to the persons entitled thereto who would otherwise have been entitled to fractions of Consideration Shares (rounded down to the nearest ZAR cent). In the case of New Members whose Consideration Shares are registered on the register of members of the Company in the United Kingdom, such amount shall be converted from South African Rand to Sterling at an exchange rate (rounded down to two decimal places) that is determined by Sibanye-Stillwater (or its nominee(s)) and paid (after the deduction of all costs and expenses incurred in respect of currency conversion and related transfers) to the person(s) entitled thereto in due proportions, rounded down to the nearest Sterling penny. Any sums retained by as a result of the rounding down of such payments shall be donated to charity.)
- (9) Notwithstanding any other provision of these Articles, neither the Company nor the directors of the Company shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.
- (10) If the Scheme shall not have become Effective by the Longstop Date of the Scheme, this Article 141 shall be of no effect.”

BY ORDER OF THE BOARD  
2019

**Seema Kamboj**  
Company Secretary  
25 April 2019

Registered Office:

Lonmin Plc  
Connaught House 5th Floor  
1-3 Mount Street  
London  
W1K 3NB  
United Kingdom

*Registered in England and Wales with registered number 103002*

**Notes:**

**Defined Terms**

1. Terms defined in the document of which this Notice of General Meeting forms part shall have the same meanings when used in this Notice of General Meeting.

**Entitlement to attend and vote**

2. The Company specifies that only those Lonmin Shareholders registered on the Lonmin Register of Members at the Voting Record Time (or if adjourned, at 6:30 p.m. (UK time) on the day two Business Days before the date of the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of Lonmin Shares registered in their name at that time. Changes to the Lonmin Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote.

### **Joint Holders**

3. In the case of joint Holders of Lonmin Shares, any one such joint Holder may tender a vote, whether in person or by proxy, at the General Meeting, but if more than one such joint Holder shall tender a vote, the vote of the person named first in the Lonmin Register of Members shall be accepted to the exclusion of the other joint Holder(s).

### **Appointment of proxies**

4. A Lonmin Shareholder entitled to attend and vote is entitled to appoint one or more proxies to exercise any or all of that Lonmin Shareholder's rights to attend and vote at the General Meeting. A proxy does not need to be a Lonmin Shareholder but must attend the General Meeting to represent you. A white Form of Proxy is enclosed with this Notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. Lonmin Shareholders are entitled to appoint a proxy in respect of some or all of their Lonmin Shares. Lonmin Shareholders are also entitled to appoint more than one proxy. A space has been included in the white Forms of Proxy to allow Lonmin Shareholders to specify the number of Lonmin Shares in respect of which that proxy is appointed. Lonmin Shareholders who return a white Form of Proxy duly executed but leave this space blank will be deemed to have appointed a proxy in respect of all of their Lonmin Shares.
6. Lonmin Shareholders who wish to appoint more than one proxy in respect of holding of Lonmin Shares should photocopy the white Forms of Proxy or contact the relevant Registrar for further white Forms of Proxy.
7. If a Lonmin Shareholder appoints more than one proxy, each proxy must be appointed to exercise the right attached to a different Lonmin Share or Lonmin Shares held by you. More than one proxy may not be appointed to exercise the rights attaching to any one Lonmin Share. Where two or more valid appointments of proxy are received in respect of the same Lonmin Shares, the one which is last sent shall be treated as replacing and revoking the other.
8. Appointment of a proxy does not preclude a Lonmin Shareholder from attending the General Meeting and voting in person.
9. In order to be valid, the white Form of Proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be returned by one of the following methods:
  - (a) in hard copy form by hand (during normal business hours only), by post or by courier to the relevant Registrar:
    - i. in the case of Lonmin Shareholders holding Lonmin Shares on the Company's UK Register, to the UK Registrar, Equiniti, at the address specified on the Form of Proxy; and
    - ii. in the case of Lonmin Shareholders holding Lonmin Shares on the Company's South African Register, to the South African Registrar, Link Market Services, at the address specified on the Form of Proxy,in each case to be received by the relevant registrar no later than 11:45 a.m. (UK time) (12:45 p.m. South African standard time) on 23 May 2019 (or, if the General Meeting is adjourned, no later than 48 hours (excluding any part of a day that is a non-working day) before the time of any adjourned General Meeting);
  - (b) in the case of members on the Company's UK Register or Lonmin Shareholders holding Lonmin Shares registered on the South African Register in certificated form, electronically through Equiniti's website [www.sharevote.co.uk](http://www.sharevote.co.uk) to be received by Equiniti no later than 11:45 a.m. (UK time) (1:45 p.m. South African standard time) on 23 May 2019 (or, if the General Meeting is adjourned, no later than 48 hours (excluding any part of a day that is a non-working day) before the time of any adjourned meeting); or
  - (c) in the case of CREST members, by utilising the procedure set out in notes 12 and 13 below (inclusive) to be received by the Company's agent (ID number – RA19) by 11:45 a.m. (UK time) (12:45 p.m. South African standard time) on 23 May 2019.
10. Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system with "own name" registration or without "own name" registration and

who wish to provide voting instructions in respect of the resolutions to be proposed at the General Meeting or any adjournments thereof should, within the time period required by the CSDP or broker or as stipulated by the terms of the custody agreement entered into between the Underlying SA Shareholders and their CSDP or broker, provide their CSDP or broker with their voting instructions in accordance with the terms of such custody agreement. Any such Underlying SA Shareholders whose entitlement to Lonmin Shares is held in uncertificated form through the Strate system who wish to attend the General Meeting in person should, in accordance with the timeframe and other terms of the custody agreement entered into between such Underlying SA Shareholders and their CSDP or broker, contact their CSDP or broker to obtain a letter of representation to enable them to do so. If the relevant CSDP or broker does not obtain voting instructions from such Underlying SA Shareholders or, if requested to do so, provide them with letters of representation, then the CSDP or broker will be obliged to vote in accordance with any instructions which may be contained in the custody agreement entered into between the Underlying SA Shareholders and their CSDP or broker.

11. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his/her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

#### **Electronic proxy appointment through CREST**

12. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (a "**CREST Proxy Instruction**"). The CREST Proxy Instruction, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, to be valid, be transmitted so as to be received by Equiniti, the UK Registrar (ID – RA19) by the latest time(s) for receipt of proxy appointments specified in this Notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti, the UK Registrar, is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Regulations.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

#### **Appointing a corporate representative**

14. A Lonmin Shareholder which is a corporation may authorise a person or persons to act as its representative(s) at the General Meeting. In accordance with the provisions of the UK Companies Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual Lonmin Shareholder, provided that they do not do so in relation to the same Lonmin Shares.

#### **Nominated Person**

15. The right to appoint a proxy does not apply to persons whose Lonmin Shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act (a "**Nominated Person**"). A

Nominated Person may have a right under an agreement with the registered shareholder who holds Lonmin Shares on that person's behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if a Nominated Person does not have such a right, or does not wish to exercise it, that person may have a right under such agreement to give instructions to the person holding the Lonmin Shares as to the exercise of voting rights.

#### **Total voting rights**

16. As at 23 April 2019 (being the Last Practicable Date prior to the publication of this Notice of General Meeting), the Company's issued share capital consisted of 282,784,288 Lonmin Shares, 586,906,900 non-voting 2015 Deferred Shares, and 50,000 non-voting Deferred Shares. Therefore the total voting rights in the Company were 282,784,288.

#### **Questions**

17. Any Lonmin Shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (i) to do so would interfere unduly with preparation for the General Meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or good order of the General Meeting that the question be answered.

#### **Availability of documents and other information**

18. A copy of this Notice of General Meeting and other information required by section 311A of the UK Companies Act can be found on the Company's website [www.lonmin.com/investors/sibanye-stillwater-offer](http://www.lonmin.com/investors/sibanye-stillwater-offer).

#### **Communication**

19. You may not use any electronic address provided in either this Notice of General Meeting or any related documents to communicate with the Company for any purposes other than those expressly stated.

**APPENDIX 1**  
**PART A**  
**REVISED QUANTIFIED FINANCIAL BENEFITS STATEMENT**

Sibanye-Stillwater made the quantified financial benefits statement set out below in the Announcement (the “**Original Quantified Financial Benefits Statement**”).

*“The Board of Sibanye-Stillwater believes that, as a direct result of the Acquisition, there are a number of areas where the Enlarged Sibanye-Stillwater Group could benefit from attractive synergies, creating additional value for Sibanye-Stillwater Shareholders. Sibanye-Stillwater has demonstrated its ability to extract synergies from the recently acquired Aquarius Platinum and Rustenburg Operations. Sibanye-Stillwater has already realised R550 million per annum in annualised operational synergies as at 30 June 2017 from the Aquarius Platinum and Rustenburg Operations acquisitions and is expected to realise approximately R1,000 million of annualised synergies by 2018.*”

*Sibanye-Stillwater has identified expected total pre-tax run-rate synergies of approximately R1,500 million by 2021, averaging approximately R1,280 million per annum for the period 2021 to 2032, as a result of the Acquisition, including:*

- *in relation to overhead services, a total of approximately R730 million per annum by 2021, with respect to:*
  - *shared services between members of the Enlarged Sibanye-Stillwater Group;*
  - *overhead costs in respect of management and marketing;*
  - *shared mining services; and*
  - *shared corporate and regulatory costs;*
- *in relation to processing synergies, a total of approximately R780 million per annum by 2021, averaging approximately R550 million per annum for the period 2021 to 2032, primarily by utilising spare capacity within Lonmin’s smelting and refining infrastructure to process concentrate produced by the Rustenburg Operations.*

*These savings from overhead synergies and reduced processing costs are separate from those matters contained in Lonmin’s Operational Review (as described in paragraph 4 of this Announcement) and those matters addressed in Lonmin’s evolving business plan (as described in paragraph 8 of this Announcement).*

*Sibanye-Stillwater estimates that the implementation of the overhead synergies would give rise to expected one-off costs of approximately R80 million and a headcount reduction of approximately 700. In addition, implementation of the processing synergies would give rise to expected one-off costs of approximately R1,000 million, such one-off costs to be incurred primarily in relation to the construction of an additional smelting furnace and Sibanye-Stillwater will continue to explore other ways to mitigate such one-off costs.*

*Aside from such one-off costs referred to above, Sibanye-Stillwater does not expect any material dis-synergies to arise in connection with the Acquisition.”*

Since the Announcement, as noted in paragraph 5 of Part II of this document, Sibanye-Stillwater has successfully integrated the Rustenburg Operations, which delivered synergies of more than R1 billion within 14 months, well ahead of the initial expectation of R800 million synergies in three to four years. This development does not affect the Original Quantified Financial Benefits Statement nor its bases of calculation.

In addition, since the Announcement, Sibanye-Stillwater has continued to assess the expected synergies from the Transaction. Whilst changes in the basket price of the PGM metals and in Sibanye-Stillwater’s operating costs have occurred, these could, other things being equal, result in increases in the synergies from the amounts quantified above, Sibanye-Stillwater has had no access to Lonmin’s operations since the Announcement and therefore does not have sufficient information to be able to quantify any change in such synergies.

Therefore, Sibanye-Stillwater has no basis for a change in its view on the overall quantum of synergies and one-off costs from that set out in the Original Quantified Financial Benefits Statement. However, given the delay to Completion of the Transaction, Sibanye-Stillwater now expects these synergies to materialise one year later (that is, by 2022 rather than by 2021) than was originally disclosed in the Announcement.

The Original Quantified Financial Benefits Statement, as modified above, represents the “**Revised Quantified Financial Benefits Statement**”.

None of the statements contained in the Original Quantified Financial Benefits Statement or the Revised Quantified Financial Benefits Statement are intended as a profit forecast and should not be interpreted as such.

## **Reports**

1. The board of Sibanye-Stillwater believes that the Enlarged Sibanye-Stillwater Group should be able to achieve the synergies set out in the Revised Quantified Financial Benefits Statement.
2. The Revised Quantified Financial Benefits Statement as set out in this document replaces the Original Quantified Financial Benefits made by Sibanye-Stillwater on 14 December 2017 as set out in the Announcement.
3. As required by Rule 28.1(a) of the Takeover Code, BDO, as reporting accountants to Sibanye-Stillwater, has provided a report required under that rule stating that, in its opinion, the Revised Quantified Financial Benefits Statement has been properly compiled on the basis stated.
4. In addition, UBS and HSBC, as financial advisers to Sibanye-Stillwater, have provided a report required under Rule 28.1(a) stating that, in their view, the Revised Quantified Financial Benefits Statement, for which the directors of Sibanye-Stillwater are responsible, has been prepared with due care and consideration.
5. Copies of these reports are included in Part B and Part C of this Appendix 1. Each of BDO, UBS and HSBC has given and has not withdrawn its consent to the publication of its respective report, and for its inclusion in the Scheme Document, in the form and context in which it is included.

## **Bases of calculation of the Original Quantified Financial Benefits Statement**

In preparing the Original Quantified Financial Benefits Statement:

- Lonmin provided Sibanye-Stillwater with certain operating and financial information to facilitate a detailed analysis in support of evaluating the potential synergies available from the Transaction;
- baseline cost numbers were agreed based on the underlying business plans of both Sibanye-Stillwater and Lonmin for their budgeted 2018 financial years with reference to the available financials for their 2017 financial years and, for the synergies arising from the combination of group functions, organisation information was reviewed;
- the assessment and quantification of the potential synergies were in turn informed by Sibanye-Stillwater management’s industry experience as well as their experience of executing and integrating past acquisitions and discussions with Lonmin management who have undertaken a number of cost reduction exercises;
- cost saving assumptions were based on a detailed, bottom-up evaluation of the benefits available from elimination of duplicate activities, the leverage of combined scale economics and operational efficiencies arising from consolidation of activities within operational facilities. In determining the estimate of costs savings achievable through the combination of Sibanye-Stillwater and Lonmin, no savings relating to operations were included where no overlap existed;
- where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies, including retrenchment costs to achieve overhead synergies and capital outlays to achieve processing synergies;
- in general, the synergy assumptions were in turn risk adjusted, exercising a degree of prudence in the calculation of the estimated synergy benefit set out above;



- the board of Sibanye-Stillwater, in addition, made the following assumptions in relation to the Original Quantified Financial Benefits Statement, all of which were outside the influence of Sibanye-Stillwater:
  - there would be no material impact on the underlying operations of either company or their ability to continue to conduct their businesses;
  - there would be no material change to macroeconomic, political, regulatory or legal conditions in the markets or regions in which Sibanye-Stillwater and Lonmin operate that materially impact on the Sibanye-Stillwater and Lonmin business plans and the implementation or costs to achieve the proposed cost savings;
  - there would be no material change in current foreign exchange rates and the spot rates for commodity prices contained in Sibanye-Stillwater's business plans;
  - there would be no change in tax legislation or tax rates or other legislation or regulation in the countries in which Sibanye-Stillwater and Lonmin operate that could materially impact the ability to achieve any benefits; and
  - there would be no material regulatory impediment to the realisation of the synergies.

### **Bases of calculation of the Revised Quantified Financial Benefits Statement**

In preparing the Revised Quantified Financial Benefits Statement:

- Sibanye-Stillwater has received no non-public operating or financial information on Lonmin's operations subsequent to the time at which the Original Quantified Financial Benefits Statement was given;
- as a result, aside from updating commodity prices and foreign exchange rates, Sibanye-Stillwater has no basis for amending any of the data provided by Lonmin which supported the Original Quantified Financial Benefits Statement. Sibanye-Stillwater has therefore had to assume that, in the period since the Announcement, there has been no material change in the underlying operations of Lonmin or in Lonmin's ability to continue to conduct its business;
- Sibanye-Stillwater has, however, considered changes in its own cost base since the time at which the Original Quantified Financial Benefits Statement was given, as well as its latest view on the timings needed to achieve synergy benefits given the delay to Completion of the Transaction; and
- the board of Sibanye-Stillwater, in addition, made the following assumptions in relation to the Revised Quantified Financial Benefits Statement, all of which are outside the influence of Sibanye-Stillwater:
  - there will be no material impact on the underlying operations of either company or their ability to continue to conduct their businesses;
  - there will be no material change to macroeconomic, political, regulatory or legal conditions in the markets or regions in which Sibanye-Stillwater and Lonmin operate that materially impact on the Sibanye-Stillwater and Lonmin business plans and the implementation or costs to achieve the proposed cost savings;
  - there will be no material change in current foreign exchange rates and the spot rates for commodity prices contained in Sibanye-Stillwater's business plans;
  - there will be no change in tax legislation or tax rates or other legislation or regulation in the countries in which Sibanye-Stillwater and Lonmin operate that could materially impact the ability to achieve any benefits; and
  - there will be no material regulatory impediment to the realisation of the synergies.

This analysis assumes no business disposals pursuant to the Transaction.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies, including retrenchment costs to achieve overhead synergies and capital outlays to achieve processing synergies.

## **Important notes**

1. The statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Original Quantified Financial Benefits Statement or the Revised Quantified Financial Benefits Statement, or this document generally, should be construed as a profit forecast or interpreted to mean that Sibanye-Stillwater's earnings in the first full year following Completion of the Transaction, or in any subsequent period, would necessarily match or be greater than or be less than those of Sibanye-Stillwater and/or Lonmin for the relevant preceding financial period or any other period.
2. Due to the scale of the Enlarged Sibanye-Stillwater Group, there may be additional changes to the Enlarged Sibanye-Stillwater Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost savings may be materially greater or less than those estimated.
3. In arriving at the estimate of synergies set out in this document, the board of Sibanye-Stillwater has assumed that there will be no significant impact on the business of the Enlarged Sibanye-Stillwater Group.

**PART B  
REPORT FROM BDO**



BDO LLP  
55 Baker Street  
London  
W1U 7EU

25 April 2019

The Directors  
Sibanye Gold Limited  
Constantia Office Park  
Bridgeview House  
Building 11  
Ground Floor  
Corner 14<sup>th</sup> Avenue and Hendrik Potgieter Street  
Gauteng  
1709  
South Africa

UBS AG, London Branch  
5 Broadgate  
London  
EC2M 2QS

HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

Dear Sirs

**Sibanye Gold Limited (trading as Sibanye-Stillwater) (“Sibanye-Stillwater”)  
Proposed acquisition of Lonmin Plc (the “Target”) by Sibanye-Stillwater (the “Transaction”) –  
updated quantified financial benefits statement by Sibanye-Stillwater**

We report on the revised statement made by the directors of Sibanye-Stillwater (the “**Directors**”) regarding quantified financial benefits made by Sibanye-Stillwater and set out in Part A of Appendix 1 of the scheme document dated 25 April 2019 prepared and issued by the Target in connection with Transaction (the “**Revised Quantified Financial Benefits Statement**” and the “**Scheme Document**”, respectively) and the basis of preparation of the Revised Quantified Financial Benefits Statement and notes to the Revised Quantified Financial Benefits Statement set out in Part A of Appendix 1 of the Scheme Document. This report is required by Rule 28.1(a)(i) of the City Code on Takeovers and Mergers (the “**City Code**”) and is given for the purpose of complying with that rule and for no other purpose.

**Responsibility**

It is the responsibility of the Directors to prepare the Revised Quantified Financial Benefits Statement, the basis of preparation of the Revised Quantified Financial Benefits Statement and notes to the Revised Quantified Financial Benefits Statement, in accordance with the requirements of Rule 28 of the City Code.

It is our responsibility to form an opinion, as required by Rule 28.1(a)(i) of the City Code, as to whether the Revised Quantified Financial Benefits Statement has been properly compiled on the basis stated and to report that opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under Rule 28.1(a)(i) of the City Code to any person as and to the extent there provided (including to the shareholders of Sibanye-Stillwater), to the fullest extent permitted by the law we do not assume any other responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.2 of the City Code, consenting to its inclusion in the Scheme Document.

**Basis of preparation**

The Revised Quantified Financial Benefits Statement has been prepared on the basis stated in Part A of Appendix 1 to the Scheme Document.

**Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of considering whether the Revised Quantified Financial Benefits Statement has been accurately computed based upon bases of belief (including the principal assumptions and sources of information summarised in the notes to the Revised Quantified Financial Benefits Statement). Whilst the bases of belief (and the principal assumptions and sources of information summarised in the notes to the Revised Quantified Financial Benefits Statement) are the responsibility of the Directors, we considered whether there was anything to indicate whether the bases of belief (or principal assumptions or sources of information summarised in the notes to the Revised Quantified Financial Benefits Statement) adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Revised Quantified Financial Benefits Statement, have not been disclosed or if any of the bases of belief (or principal assumptions or sources of information summarised in the notes to the Revised Quantified Financial Benefits Statement) made by the Directors appears to us to be unrealistic. This involved discussing the Revised Quantified Financial Benefits Statement together with the bases of belief supporting the Revised Quantified Financial Benefits Statement (including the principal assumptions and sources of information summarised in the notes to the Revised Quantified Financial Benefits Statement) with the Directors and those officers and employees of Sibanye-Stillwater who developed the underlying plans and with UBS AG, London Branch and HSBC Bank plc. The Revised Quantified Financial Benefits Statement is subject to uncertainty as described in the important notes to the Revised Quantified Financial Benefits Statement.

We planned and performed our work so as to obtain the information and explanations which we considered necessary in order to provide us with reasonable assurance that the Revised Quantified Financial Benefits Statement has been properly compiled on the basis stated.

We do not express any opinion as to the achievability of the synergy benefits estimated by the Directors in the Revised Quantified Financial Benefits Statement.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

**Opinion**

In our opinion the Revised Quantified Financial Benefits Statement by Sibanye-Stillwater has been properly compiled on the basis stated.

Yours faithfully

BDO LLP  
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**PART C**  
**REPORT FROM UBS AND HSBC**

The Directors  
Sibanye Gold Limited  
Constantia Office Park  
Bridgeview House  
Building 11, Ground Floor  
Corner 14<sup>th</sup> Avenue and Hendrik Potgieter Street  
Gauteng  
1709  
South Africa

25 April 2019

Dear Sirs

**Recommended all-share offer by Sibanye Gold Limited (trading as Sibanye-Stillwater) (“Sibanye-Stillwater”) to acquire the entire issued and to be issued ordinary share capital of Lonmin Plc (“Lonmin” and the “Transaction”, respectively) – revised quantified financial benefits statement by Sibanye-Stillwater**

We refer to the revised quantified financial benefits statement, the bases of belief thereof and the notes thereto (together, the “**Revised Quantified Financial Benefits Statement**”) made by Sibanye-Stillwater and set out in Part A of Appendix 1 of the scheme document dated 25 April 2019 (the “**Scheme Document**”), for which the board of directors of Sibanye-Stillwater (the “**Directors**”) are solely responsible under Rule 28.1(a)(i) of the City Code on Takeovers and Mergers (the “**Code**”).

We have discussed the Revised Quantified Financial Benefits Statement (including the assumptions, accounting policies, bases of calculation and sources of information referred to therein) with the Directors and those officers and employees of the Sibanye-Stillwater Group who have developed the underlying plans as well as with BDO LLP (“**BDO**”). The Revised Quantified Financial Benefits Statement is subject to uncertainty as described in the Scheme Document and our work did not involve an independent examination of any of the financial or other information underlying the Revised Quantified Financial Benefits Statement.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by or on behalf of the Sibanye-Stillwater Group and/or the Lonmin Group, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any view as to the achievability of the revised quantified financial benefits identified by the Directors.

We have also reviewed the work carried out by BDO and have discussed with them the opinion addressed to you and us on this matter and which is set out in the Scheme Document, and the accounting policies and bases of calculation for the Revised Quantified Financial Benefits Statement.

This letter is provided to you solely in connection with Rule 28.1(a)(ii) of the Code and for no other purpose. We accept no responsibility to the Sibanye-Stillwater Group, Lonmin or their shareholders or any person other than the Directors of the Sibanye-Stillwater Group in respect of the contents of this letter. We are acting exclusively as financial advisers to Sibanye-Stillwater and no one else in connection with the Transaction and it was for the purpose of complying with Rule 28.1(a)(ii) of the Code that the Sibanye-Stillwater Group requested UBS AG, London Branch and HSBC Bank plc to prepare this report on the Revised Quantified Financial Benefits Statement. No person other than the Directors of the Sibanye-Stillwater Group can rely on the contents of, or the work undertaken in connection with, this letter, and to the fullest extent permitted by law, we expressly exclude and disclaim all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its contents or the work undertaken in connection with this letter or any of the results that can be derived from this letter or any written or oral information provided in connection with this letter.

On the basis of the foregoing, we consider that the Revised Quantified Financial Benefits Statement, for which the Directors are solely responsible, for the purposes of the Code, has been prepared with due care and consideration.

Yours faithfully,

Yours faithfully,

UBS AG, London Branch

HSBC Bank plc



