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18 October 2017

Dear Directors

MUTUAL CONFIDENTIALITY UNDERTAKING



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Sibanye Gold Limited trading as Sibanye-Stillwater ("**Sibanye-Stillwater**") is considering making an offer to acquire the entire issued and to be issued share capital of Lonmin Plc ("**Lonmin**") (the "**Proposed Transaction**").

In connection with the Proposed Transaction, each party (in its capacity as the "**Disclosing Party**") may disclose Confidential Information to the other party (in its capacity as the "**Receiving Party**") subject to the terms of this agreement.

1. DEFINITIONS

"**acting in concert**" has the meaning given in and shall be construed in accordance with the Code;

"**Advisers**" means, in relation to each party, that party's current financial, legal and accounting advisers and such other advisers as are agreed between the parties from time to time;

"**Affiliates**" means in relation to any person, any other person who Controls or is Controlled by, or under common Control with, that person;

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

"**Confidential Information**" means, in relation to a Disclosing Party:

- a) all information relating to the Disclosing Party or its Affiliates which is or has been made available for the purposes of the Proposed Transaction by the Disclosing Party or its Related Persons to the Receiving Party or its Related Persons; and
- b) analyses, compilations, studies and other material prepared by the Receiving Party or its Related Persons which contain, reflect or are otherwise generated from the information described in 1 (a) above,

in each case in whatever form or medium such information is recorded or kept and whether disclosed or created before or after the date of this agreement, but excluding information which:

- c) is or becomes publicly available (other than as a result of a breach of this agreement); or
- d) is known to the Receiving Party or its Related Persons before it is disclosed by the Disclosing Party or its Related Persons or is lawfully obtained by the Receiving Party after such disclosure, other than from a source which is connected with the Disclosing Party and which, in either case, has not been obtained in violation of, and is not otherwise subject to, any obligation of confidentiality;

"Control" means when a person directly or indirectly holds or controls a majority of the voting rights of, or the right to appoint or remove a majority of the board of directors of, or the right to exercise a dominant influence over or otherwise control, another person; and

"Related Persons" means, in relation to a party, its Affiliates, directors, employees (including employee representatives) and Advisers at any time when the provisions of this agreement apply.

2. CONFIDENTIALITY

2.1 Subject to paragraph 2.2, each Receiving Party will:

- 2.1.1 keep the Disclosing Party's Confidential Information secret and confidential;
- 2.1.2 use the Confidential Information only in connection with the Proposed Transaction;
- 2.1.3 subject to paragraph 6.11 and paragraph 4.2 and any applicable provisions of the Code, keep the fact of the consideration of the Proposed Transaction, the existence and contents of the discussions about the Proposed Transaction, including the identity of the parties and the existence and contents of this agreement ("**Proposed Transaction Details**") secret and confidential, provided that this paragraph 2.1 shall not prevent either party from disclosing any of the Proposed Transaction Details to (i) their respective Related Persons who need to know for the purposes of the Transaction or (ii) their respective shareholders;
- 2.1.4 not disclose the Confidential Information to anyone other than those of the Receiving Party's Related Persons who, in the Receiving Party's reasonable opinion, need to know the Confidential Information for the purposes of the Proposed Transaction, in each case in confidence and only to the extent necessary for the Proposed Transaction;
- 2.1.5 keep a list of the names of all Related Persons to whom Confidential Information or the Proposed Transaction Details has been disclosed (and supply a copy of such list to the Disclosing Party on its request); and
- 2.1.6 ensure that each Related Person to whom Confidential Information or the Proposed Transaction Details is disclosed is aware of and observes the Receiving Party's obligations of confidence under this agreement and be responsible for any breach of the provisions of this agreement by its Related Persons.

The obligations set out in this paragraph 2.1 shall remain in force until completion of the Proposed Transaction. In the event of the termination of discussions or negotiations relating to the Proposed Transaction, the obligations set out in this paragraph 2.1 shall remain in force for a period of 2 years from the date of this agreement.

2.2 A Receiving Party may disclose Confidential Information or Proposed Transaction Details to the extent required:

- 2.2.1 by any order of any court of competent jurisdiction or any competent judicial, governmental, regulatory or supervisory body;
- 2.2.2 by the rules of any listing authority, stock exchange or any regulatory or supervisory body with which the Receiving Party is bound to comply; or
- 2.2.3 by applicable laws or regulations, provided that before it discloses any Confidential Information or Proposed Transaction Details the Receiving Party will, to the extent permitted by applicable law and regulation, inform the Disclosing Party of the full

circumstances and the information required to be disclosed, consult with the Disclosing Party as to possible steps to avoid or limit disclosure, take such of those steps as the Disclosing Party may reasonably require and, where the disclosure is to be by way of a public announcement, make reasonable efforts to agree the wording of the announcement with the Disclosing Party in advance.

- 2.3 A Receiving Party will immediately inform the Disclosing Party of the full circumstances of any disclosure upon becoming aware that Confidential Information or Proposed Transaction Details has been disclosed in breach of this agreement.

3. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION

- 3.1 Within ten days of receipt of a written demand from the Disclosing Party, a Receiving Party will destroy or, at the option of the Disclosing Party, return all original and copy documents and information containing Confidential Information (including analyses, compilations, studies or other material which contain or reflect, or are derived or generated from, Confidential Information) in the possession or control of the Receiving Party or its Related Persons, provided that:

3.1.1 to the extent that any Confidential Information or information referred to in paragraph 3.1 is held on any computer, disk or other device it shall be sufficient to satisfy the Receiving Party's obligations under this paragraph 3.1 if such information is no longer accessible without the use of computer forensic or data recovery software; and

3.1.2 the Receiving Party (and any of its Related Persons to whom Confidential Information has been disclosed in accordance with this agreement) may retain such Confidential Information as is required to be retained by it under applicable law or regulation, subject to the duties of confidentiality in respect of such Confidential Information contained in this agreement.

- 3.2 If requested by the Disclosing Party, the Receiving Party will provide a certificate confirming compliance with the obligations contained in paragraph 3.1.

4. STANDSTILL

- 4.1 Subject to paragraph 4.2, Sibanye-Stillwater agrees that for a period of 12 months starting on the date of this agreement it will not, and will procure that any persons acting in concert with it will not, alone or jointly, without the prior written consent of the board of directors of Lonmin:

4.1.1 directly or indirectly acquire (or agree to, or offer to, or receive an option to, acquire) any interest, including any ownership or voting rights, in any shares or other securities of Lonmin, or any derivatives referenced to such shares; or

4.1.2 discuss the Proposed Transaction with any shareholder of Lonmin (unless such shareholder is also a shareholder of Sibanye-Stillwater); or

4.1.3 make any announcement under Rule 2.4 or Rule 2.7 of the Code with respect to any offer or potential offer to acquire any shares of Lonmin, or with respect to any scheme, arrangement or Proposed Transaction regarding Lonmin or take any step which would, under the Code, require such an announcement to be made save that nothing in this paragraph 4.1.3 shall prevent Sibanye-Stillwater from making an announcement required by the rules of any listing authority, stock exchange or any regulatory or supervisory body with which Sibanye-Stillwater is bound to comply; or

4.1.4 enter into any agreement, arrangement or understanding with any person with respect of the holding, voting or disposition of any shares of Lonmin.

4.2 The restrictions in paragraph 4.1 and paragraph 2.1.3 shall cease to apply:

- 4.2.1 if Sibanye-Stillwater makes a recommended firm offer announcement for Lonmin under Rule 2.7 of the Code (in which case all of the restrictions in paragraphs 2.1.3 and 4.1 shall cease to apply);
- 4.2.2 if an offer period (as defined in the Code) commences for Lonmin (provided that in such circumstances, unless paragraph 4.2.3 applies, the restriction on Sibanye-Stillwater making a 2.7 offer announcement without the agreement of Lonmin will continue to apply);
- 4.2.3 if any person other than Sibanye-Stillwater, persons acting in concert with it or its Related Persons:
 - a. shall have become interested (as defined in the Code) in shares carrying more than 20 per cent of the voting rights (as defined in the Code) of Lonmin; or
 - b. who is either identified as (i) a formal sale process participant or (ii) a potential offeror under Rule 2.4 of the Code, makes an announcement under Rule 2.4 of the Code that it may make a general offer to acquire shares carrying over 50 per cent of the voting rights (as defined in the Code) of Lonmin (including by way of scheme of arrangement); or
 - c. makes, or announces under Rule 2.7 of the Code, a firm intention to make an offer to acquire shares carrying over 50 per cent of the voting rights (as defined in the Code) of Lonmin (including by way of scheme of arrangement); or
 - d. announces in relation to Lonmin, or Lonmin announces, a proposal to seek shareholders' approval for a third party to avoid making an offer which would otherwise be required under Rule 9 of the Code; or
 - e. makes, or announces an intention to make, an acquisition of all or substantially all of the undertakings, assets or business of Lonmin,

(in which case, all of the restrictions in paragraphs 2.1.3 and 4.1 shall cease to apply).

5. NON-SOLICITATION

- 5.1 Each party undertakes to the other party that it will not, and it will procure that its Related Persons will not, directly or indirectly, for a period of 18 months starting on the date of this agreement, solicit or entice away any person who is employed or directly or indirectly engaged by the other party or its Affiliates and is in an executive or senior managerial capacity, or with whom that party or any of its Related Persons have had contact, or about whom Confidential Information has been made available to that party or its Related Persons, with a view to inducing that person to leave such employment or engagement. This paragraph will not prohibit the employment of any person recruited solely through the placing of a public advertisement of a post available to the public generally or solely through an employment agency (provided that neither that party nor its Related Persons encouraged the agency to approach the relevant individual).
- 5.2 Each party undertakes to the other party that it will not, and it will procure that its Related Persons will not, directly or indirectly, for a period of 18 months starting on the date of this agreement, solicit, entice away, canvass or approach any person who is or was during such period a customer or supplier of the other party or any of its Affiliates and about whom Confidential Information has been made available to that party or any of its Related Persons,

for the purpose of offering to that person, or receiving from that person, goods or services of the same or similar type as supplied by or to the other party or any of its Affiliates. This paragraph will not prohibit solicitation of customers or suppliers in the normal and proper course of the ordinary trading activities of that party provided such solicitation is unrelated to the Proposed Transaction.

6. GENERAL

- 6.1 **Right to terminate discussions:** Each party reserves the right in its sole and absolute discretion to terminate discussions and negotiations relating to the Proposed Transaction at any time, but such termination shall not affect the terms of this agreement which shall remain in full force and effect.
- 6.2 **Compliance with law:** Each party acknowledges that, and will advise each of its Related Persons that, it must act in relation to the Confidential Information in compliance with the prohibition on market abuse contained in the Market Abuse Regulation (EU/596/2014) ("MAR") in particular in relation to insider dealing and unlawful disclosure of inside information, Article 17 and 18 of MAR in relation to inside information, the Disclosure Guidance issued by the Financial Conduct Authority; the criminal offences in relation to inside information contained in Part V of the Criminal Justice Act 1993, and the requirements of the Data Protection Act 1998.
- 6.3 **No representations or warranties:** No representation or warranty is made or given as to the accuracy or completeness of the Confidential Information or any other information supplied or as to the reasonableness of any assumptions on which any of the same is based (and there is no obligation on either party to update or correct such information) and the parties agree, for themselves and on behalf of their Related Persons, that (without prejudice to any liability for fraud) neither the Receiving Party nor its Related Persons shall have any liability to the Disclosing Party or any of its Related Persons, resulting from the use of the Confidential Information or any other information supplied, or for any opinions expressed, or any omissions or mis-statements made by any of them in connection with the Proposed Transaction.
- 6.4 **Entire agreement and variation:** Each party confirms that this agreement constitutes the whole agreement, represents the entire understanding, and supersedes any previous agreement in relation to its subject matter between the parties (including the agreement dated 4 May 2016), and excludes any warranty, condition or other undertaking implied at law or by custom, usage or course of dealing. Each party confirms that in entering into this agreement it has not relied on any representation, warranty or undertaking not expressly set out in this agreement. No variation of this agreement will be effective unless in writing signed by the parties.
- 6.5 **No waiver:** A failure to exercise or delay in exercising any right or remedy provided by this agreement or by law does not constitute a waiver of that or any other right or remedy, and no single or partial exercise of a right or remedy will preclude any further exercise of any such right or remedy.
- 6.6 **Severability:** If any part of this agreement is void or unenforceable due to any applicable law, it shall be deemed deleted and the remaining parts of this agreement will continue in full force and effect.
- 6.7 **Costs:** Each party will be responsible for all costs incurred by it or on its behalf in connection with this agreement and the Proposed Transaction.
- 6.8 **Counterparts:** This agreement may be executed by the parties in separate counterparts, which shall together constitute one agreement.
- 6.9 **Third party rights:** No term of this agreement is enforceable by a person who is not a party to this agreement under the Contracts (Rights of Third Parties) Act 1999.



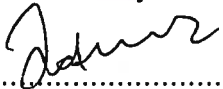
6.10 Remedies: Without prejudice to any other rights or remedies that any party may have, each party acknowledges and agrees that damages alone would not be an adequate remedy for any breach by it or its Related Persons of the provisions of this agreement, and that the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach by it or its Related Persons would be more appropriate remedies. Each party agrees to indemnify and keep indemnified the other party and each of the other party's Related Persons against any costs, claims, demands, losses or liabilities whatsoever arising directly or indirectly out of any breach by it or its Related Persons of its obligations under this agreement.

6.11 Takeover Code: Nothing in this agreement shall oblige a party to pay any amount which the Panel on Takeovers and Mergers determines would not be permitted by Rule 21.2 of the Code or prevent Lonmin from making an announcement relating to a possible offer, or Lonmin publicly identifying the potential offeror at any time the board of Lonmin considers appropriate. Lonmin will notify or consult Sibanye-Stillwater before such announcement is made identifying Sibanye-Stillwater only where it is practical for Lonmin to do so and provided that such notification or consultation will not cause a breach of the Code or any other law which is applicable to Lonmin. For the avoidance of doubt, the preceding sentence does not in any way prevent Lonmin from making an announcement at any time or in any form as it considers appropriate. Nothing in this agreement shall prevent either party from talking to their respective shareholders in respect of the Proposed Transaction.

6.12 Governing law and jurisdiction: This agreement and any dispute or claim arising out of or in connection with it is governed by, and is to be construed in accordance with, English law and each party irrevocably submits to the exclusive jurisdiction of the English courts.

Please confirm your agreement to these terms by signing and returning one copy of this letter.

Yours faithfully

 18/10/2017

For and on behalf of **Lonmin Plc**

 18/10/2017

For and on behalf of **Sibanye Gold Limited trading as Sibanye-Stillwater**