CHIEF EXECUTIVE OFFICER'S REVIEW

Neal Froneman
Chief Executive Officer

"We are positive that our mining improves lives and our vision to create superior value for all stakeholders is unwavering"

Sibanye-Stillwater has undergone many fundamental changes since it was established in February 2013, transforming from a gold only producer with three mines in South Africa into a globally diversified precious metals producer with operations and projects in five jurisdictions. Following the completion of the proposed acquisition of Lonmin, the Group will rank as one of the largest primary producers of platinum and palladium, and associated PGMs, in the world.

What has not changed, however, is our commitment to our purpose, vision and values. We are positive that our mining improves lives and our vision to create superior value for all stakeholders is unwavering with all of our decisions and actions underpinned by our CARES values. Of these values – commitment, accountability, respect, enabling and safe production – our first, second and third priority is safe production and the safety, health and well-being of our employees. The tragic incidents at our SA gold operations, in the first half of the year therefore had such a harrowing impact on the Group as a whole.

The manner in which the Sibanye-Stillwater team responded to and dealt with the various crises, which led to a recovery and improvement in the Group's safety performance in the second half of the year, is extremely pleasing. I am confident that we are well-positioned to continue delivering superior value to all of our stakeholders and improving lives through our mining activities.

SAFETY

The anomalous spate of tragic safety incidents that we primarily experienced at the SA gold operations in the first eight months of 2018, which resulted in the deaths of 24 of our colleagues in South Africa, is unprecedented in the history of our organisation and contrary to our previous industry leading safety performance.

Two separate incidents in particular, at our Driefontein and Kloof operations, resulted in the disastrous loss of 12 of our colleagues. 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 thankfully rescued, seven of our employees were fatally injured. Soon after this incident, on 11 June 2018 at our 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 we are assisting the regulators with those investigations.

We continue to mourn the 24 colleagues we lost in 2018 and our heartfelt condolences go to the families, friends and colleagues of Chicco Elmon Dube, Solly Ngobeni, Matela Mating, Zanempi Mncwanazi, Otshepeng Ernest Ramosito, Ntokozo Elias Ntame, Mlungisi Vukuthi, Luke Bongumusa Mngomezulu, Baptista Paulino Cuambe, X-Mas Madikizela, Mbulelo Albert Sonqowa, Thabo Abram Ntsekhe, Nkosiphendule Dudlela, Luis Ernesto, Lumbe Gazala, Lingani Innocent Mngadi, Lakhi Msada, Mthokozisi Msutu, Cedrick Nkuna, Kholekile Phelile, Thokozani Tembe, Bhekithemba Thembinkosi Ndabeni, Grace Mlambo and Philemon Mngakana. Our deceased colleagues remain in our thoughts and we will continue doing what is appropriate and right to support the dependants of the deceased.

In response to the crisis, we took immediate, well-defined steps to enhance the safety performance at our SA gold operations in particular. Near-term, high-impact measures were vigorously implemented across the operations and medium- to long-term safe production initiatives were developed, including *inter alia*:

- the development of a Zero Harm Strategic Framework through multi-stakeholder collaboration during three safety summits, which were convened by Sibanye-Stillwater – the safety summits are ongoing while joint implementation task teams monitor and report on progress made in the priority areas that were jointly identified by stakeholders at the summits
- the constitution of our Global Safe Production Advisory Panel, comprising five leading globally recognised safety experts, to assist in adopting a more forward-looking position that anticipates the emergence of new leading safety practices
- investing in the identification and development of new safe production technologies through the DigiMine partnership with the University of Witwatersrand, complemented by a

"Virtual Centre of Excellence in Innovative Safe Production", which is made up of a global academic network of 19 leading mine safety experts who will contribute to enhancing modernisation for safe and sustainable production

Taking into consideration the substantial behavioural component involved in many fatal incidents in the mining industry, the desire to review our organisational culture and leadership to ensure that safety is inculcated as the foremost consideration in decisions at all levels, was identified as a continued priority. In this regard, a core strategic thrust over the course of the next three years will be to further develop a values-based organisational culture that supports safe production and delivery of our strategy by continuing to instil our CARES values as the context within which we make all our decisions as a cornerstone of culture transformation.

For further detail on what is being done to ensure our workplaces are safe, and to address safety behaviour and performance, *see Ensuring safe production, and Occupational health and well-being in this report*.

The initial outcomes of these initiatives have been heartening with the safety performance in the second half of 2018, across the Group, in stark contrast to that of the first half. The Group operations have been fatality-free since mid-August 2018, recording a total of seven million fatality-free shifts by 1 March 2019, with the SA operations also achieving seven million fatality-free shifts on 6 March 2019. Group combined injury rates were essentially flat year-on-year with a slight deterioration in injury rates at the SA gold operations and the US PGM operations, offset by a significant improvement in injury rates at the SA PGM operations where the serious injury frequency rate (SIFR) improved by 15% – in the process setting new benchmarks for moderate to deep-level hard-rock mining in South Africa. These are commendable achievements considering the proportion of deep-level mining that is conducted across the Group and the number of people who operate in this environment on a daily basis.

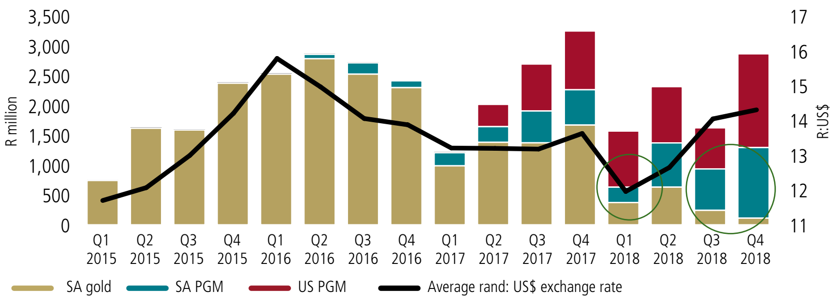
This performance has restored and improved Sibanye-Stillwater's historic, industry-leading safety record but we are conscious that we operate in a dynamic environment, which can change rapidly, as we experienced in H1 2018, and as such, requires continuous vigilance, review and innovation to ensure ongoing improvement towards our ultimate goal of zero harm in the workplace. Consistent with our comprehensive approach and commitment to safe production, following the unfortunate tailings dam failure in Brazil, we have concluded additional audits of our tailings storage facilities globally – no immediate risks have been identified.

FINANCIAL REVIEW

As a result of the critical impact of the safety incidents and other unanticipated operational disruptions as well as the strike (as referred to by our Chairman in the preceding pages) on production at our SA gold operations, the Group delivered a underpar financial performance in 2018. Our strategic commodity diversification into the PGM sector and the geographical benefits of the Stillwater acquisition clearly compensated for the operational challenges experienced at the SA gold operations however, with Group adjusted EBITDA only R676 million (7%) lower year-on-year despite adjusted EBITDA from the SA gold operations declining by R3,946 million for the same period.

The Group's major source of earnings is now our US PGM operations, which accounted for approximately 50% of Group adjusted EBITDA of R8,369 million (US$632 million) in 2018 compared with R9,045 million (US$680 million) in 2017, primarily due to the increasing dollar palladium price and strong PGM operational performance. The higher rand PGM basket price and sustained operational performance from the SA PGM operations also resulted in the contribution from the SA PGM operations increasing substantially from 18% of Group adjusted EBITDA in 2017 to 34% in 2018. The SA gold operations contributed only 16% of Group adjusted EBITDA in 2018 compared with 59% in 2017.

Profitability (adjusted EBITDA) and R/US$ exchange rate



Consistent with our three-year strategic goals, proactive steps to address our balance sheet leverage were also taken during the year with the US$500 million stream transaction, secured in July, of which the largest portion was successfully applied towards reducing US$400 million of long-term debt. Significant progress on our deleveraging strategy was, however, delayed by the sharp decline in adjusted EBITDA from our SA gold operations in 2018 with the Group's net debt to adjusted EBITDA (net debt:adjusted EBITDA) ratio of 2.5x at the end of 2018 only marginally improved on the position at the end of 2017. Having secured an extension of the 3.5x net debt:adjusted EBITDA ceiling until

"The Group's dominant source of earnings is now our US PGM operations"

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

the end of 2019 and a covenant holiday for Q1 2019, we have sufficient headroom on our lender covenants and our liquidity remains adequate. Ongoing strength in spot precious metals prices in 2019 is expected to support our deleveraging efforts in the coming year.

Group adjusted free cash flow [1] (FCF) was similarly impacted by the operational disruptions experienced by the SA gold operations. The Group recorded negative FCF of R12 million (US$1 million) for 2018, which was an R851 million (US$64 million) improvement relative to the comparable period in 2017 with negative FCF of R1,093 million (US$83 million) from the SA gold operations, offset by a tenfold increase in FCF from the SA PGM operations to R881 million (US$67 million) and FCF from the US PGM operations of R387 million (US$29 million), which was significantly higher than negative FCF of R483 million (US$36 million) for 2017. The significant increase in precious metals prices in 2019 thus far, if sustained, will have extremely positive implications for Group FCF in 2019.

OPERATIONAL REVIEW

US PGM operations

Mined 2E PGM production for the year of 592,608 2Eoz was towards the upper end of guidance for the year, reflecting the ongoing build-up of production at Blitz and record production from the East Boulder mine with All-in-sustaining cost (AISC) of US$677/2Eoz in line with annual guidance.

The Columbus Metallurgical Complex performed steadily in 2018, processing 619,683oz of mined 2E PGM and 686,592oz of recycled 3E PGM, despite the rebuild and expansion of the second electric furnace (EF2) restricting processing flexibly. Recommissioning of EF2 in January 2019 will add smelter capacity and significantly enhance flexibility for the rest of the year. The recycling division averaged 22.0 tonnes of feed material per day in 2018, compared with an average feed rate of 24.2 tonnes per day in 2017. This was a noteworthy achievement, given the smelting constraints experienced by the complex during the year.

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 9% year-on-year increase in the average 2E PGM basket price received to US$1,007/2Eoz, coupled with the strong operating performance, boosted adjusted EBITDA from the US PGM operations for 2018 to US$314 million (R4,152 million) from US$161 million (R2,143 million) in 2017 with the adjusted EBITDA margin of the underground operations increasing from 43% for 2017 to 46% for 2018 and the adjusted EBITDA margin for the US PGM operations as a whole (including the lower margin recycling operations) increasing from 23% for 2017 to 26% for 2018. The continued rise in the palladium spot price in 2019, which increased by 37% from an average PGM basket price for 2018 of US$1,007/2Eoz to a spot price of US$1,375/2Eoz, if maintained will have a considerable enhancement to profitability from the US PGM operations.

The production build-up at Blitz remains on schedule with three stope blocks successfully commissioned in 2018. Two additional stopes are scheduled for commissioning in 2019, which are expected to add a further 40,000 2Eoz to 60,000 2Eoz to annual production. A total of 10 producing areas or stopes are expected to be commissioned at Blitz by late 2021, adding 300,000 2Eoz of annual production, on average, from 2022.

Continuous improvement and optimisation of operational performance is a core focus area across the Group and incremental expansion of production at the East Boulder mine, the Fill the Mill (FTM) project, was recently approved by our Board. The FTM project is expected to deliver approximately 40,000oz of 2E PGM annually from late 2020 through incremental expansion of mining and certain support facilities at the East Boulder mine and Columbus Metallurgical Complex with the additional production from FTM expected to reduce operating costs at East Boulder by approximately 5% over the project's 10-year operating life.

SA PGM operations

The SA PGM operations continued to perform strongly with full-year 4E PGM production of 1,175,672oz for the year ended 31 December 2018, exceeding the upper limit of guidance, and average AISC well below the lower guidance limit of R10,750/4Eoz (US$825/4Eoz).

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% higher than it was in 2017, primarily due to significant increases in palladium and rhodium prices (which comprise approximately 31% and 9% of the 4E prill split respectively) and a weaker rand exchange rate.

The significant leverage of the SA PGM operations to the higher basket prices, as a result of a disciplined operating performance, is evident in the 67% year-on-year increase in adjusted EBITDA to R1,881 million (US$136 million) for H2 2018. Similarly, adjusted EBITDA for the full year of

"Continuous improvement and optimisation of operational performance is a core focus area across the Group"

[1] *Adjusted free cash flow is defined as net cash from operating activities before dividends paid, net interest paid and deferred revenue advance received less additions to property, plant and equipment, and is not an IFRS measure. For a reconciliation of net cash from operating activities to adjusted free cash flow, see the Annual Financial Report 2018*

R2,882 million (US$218 million) was 81% higher than it was in 2017 with the adjusted EBITDA margin increasing from 12% in 2017 to 19% in 2018. As with the US PGM operations, at the spot 4E PGM basket price of R17,670/4Eoz at close of day on 6 March 2019, the proforma adjusted EBITDA from the SA PGM operations would have been approximately 100% higher at R3,812 million (US$268 million).

Impact of changes to processing arrangements for Rustenburg operation from 1 January 2019

In line with Sibanye-Stillwater's mine-to-market PGM strategy and according to the processing agreements with Anglo American Platinum, the processing arrangement for Rustenburg production changed from a PoC arrangement to a toll processing arrangement from 1 January 2019.

In terms of the PoC arrangement, Sibanye-Stillwater delivered metals concentrate from the Rustenburg operations to Anglo American Platinum for smelting and refining and Anglo American Platinum retained a percentage of the metal-in-concentrate as payment for processing the concentrate. The cost of this PoC charge was offset against revenue and reflected as an equivalent discount to the 4E PGM basket price received.

In terms of the toll arrangement, Sibanye-Stillwater will pay an agreed rate to Anglo American Platinum to smelt and refine concentrate from the Rustenburg operation but will own and sell all the refined metal produced. From a reporting perspective, Sibanye-Stillwater will no longer reflect a discount in its revenue and will receive the full average 4E PGM basket price although costs and unit costs will be higher than under the PoC arrangement, reflecting the additional tolling costs.

At the current spot 4E PGM basket price, the net result of this contractual change has a positive financial impact with the increased revenue more than offsetting the additional toll cost and, as a result, beneficial commercially and strategically. The change in the arrangement, however, results in a delay in the recognition of revenue due to the point of sale being extended to the end of the processing pipeline, which affects the recognition of revenue for 2019.

Under the PoC arrangement, a sale was recognised and accounted for on delivery of concentrate to Anglo American Platinum as the control transferred to Anglo American Platinum pursuant to the sales contract. The sale price was previously determined on a provisional basis and adjustments to the sale price were made, based on movements in the metal prices up to the date of final pricing.

Under the toll arrangement, a sale will only be accounted for after the refined metals are sold, approximately four months after delivery of the concentrate to Anglo American Platinum. From an accounting perspective, this is the point when the control is transferred to the customer.

This change has resulted in:

- the revenue recognition cycle being delayed with minimal revenue and earnings recognised from the Rustenburg operation during Q1 2019 and 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 is largely unaffected

As a result of these changes, adjusted EBITDA from the Rustenburg operation will not be recognised during Q1 2019, which will impact our net debt:adjusted EBITDA leverage ratio during the transition of the commercial arrangements. Following further discussions with our lenders, a covenant holiday for Q1 2019 has been agreed. We consequently have sufficient headroom on our lender covenants and liquidity remains adequate.

SA gold operations

As announced on 1 August 2018, all conditions precedent to the DRDGOLD transaction were met and the transaction was implemented on 31 July 2018. Sibanye-Stillwater consolidated DRDGOLD in its operating and financial results from 1 August 2018 and the current operating results include 1,870kg (60,122oz) from DRDGOLD.

Total gold production, including DRDGOLD, declined by 16% year-on-year to 36,600kg (1,176,700oz) primarily due to the impact of the anomalous H1 2018 safety incidents and other operational disruptions (the disruption of electrical power to the Beatrix operations and seismic damage to infrastructure at the Driefontein 1 and Kloof 3 shafts) and the AMCU strike in the second half of the year, as well as cessation of underground mining at the Cooke operations in late 2017, which accounted for 956kg (30,736oz) or 32% of the reduction. On a like-for-like basis, gold production (excluding DRDGOLD and the Cooke underground operations) also declined by 16% year-on-year to 34,676kg (1,114,800oz).

The impact of the 16% decline in production year-on-year is evident in the 15% increase in AISC for 2018 to R557,530/kg (US$1,309/oz) despite cost of sales before amortisation and depreciation (including DRDGOLD and the Cooke underground operations) remaining flat year-on-year.

"In line with Sibanye-Stillwater's mine-to-market PGM strategy"

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

The significant fixed overhead cost component (over 80% of operating costs) for the SA gold operations makes costs very sensitive to production volume changes. As a result, unit costs such as AISC invariably increase with reductions in production volumes.

The average received rand gold price 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 SA gold operations declining to R1,362 million (US$103 million) from R5,309 million (US$399 million) in 2017.

SECTION 189A

While the profitability of the SA gold operations is currently distorted by the production impact of the safety incidents and ongoing strike action, there are fundamental profitability issues, particularly at the Driefontein 2, 6, 7 and 8 shafts and at Beatrix 1 shaft. These will be addressed through consultation with stakeholders in terms of Section 189A of the Labour Relations Act. Notice in this regard was given to stakeholders on 14 February 2019.

This follows notices issued under Section 52(1)(a) of the Mineral and Petroleum Resources Development Act in October 2018 in respect of Beatrix and Driefontein, advising stakeholders of the marginal profitability of the mining rights that should have prompted engagements with the stakeholders on each of the mines about measures that could be taken to secure improved financial sustainability. Sadly, such constructive engagements did not transpire as strike-related issues dominated the intervening period.

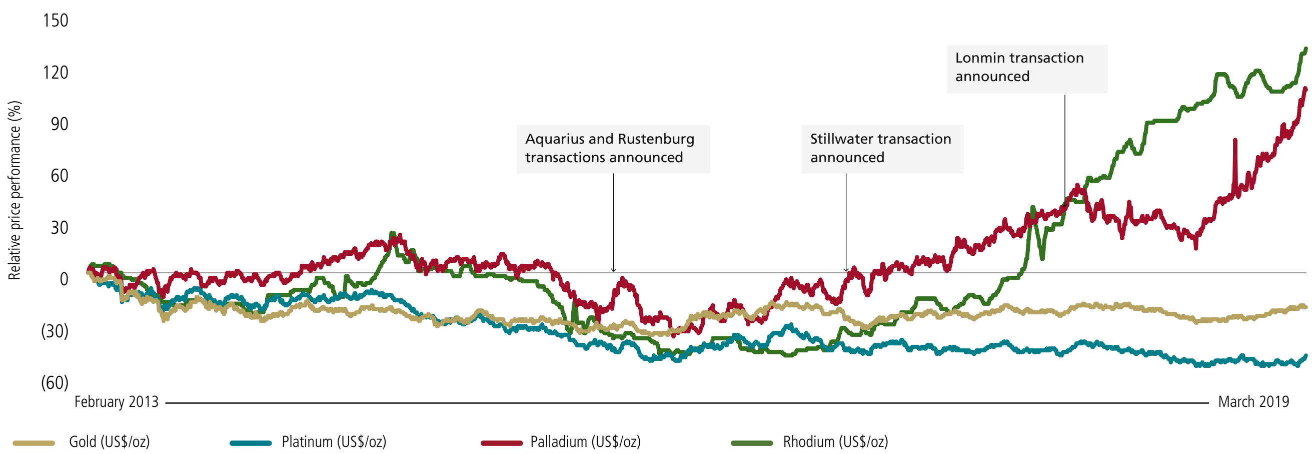
Through the formal Section 189A consultation process, Sibanye-Stillwater and affected stakeholders will together consider measures to avoid and mitigate possible retrenchments of up to 5,780 employees and 800 contractors, and seek alternatives to the potential cessation or downscaling of operations at the affected shafts. We are confident that this process will reposition the SA gold operations for sustainable, profitable safe production.

STRATEGIC REVIEW

Sibanye-Stillwater's transition from a South African gold producer to a diversified global precious metals producer was well-timed. The announcements of the Aquarius and Rustenburg acquisitions in late 2015 preceded a sustained period of increasing palladium and rhodium prices, which have risen by over 200% and 370% from respective low price points in 2016, more than offsetting the moribund platinum price.

"Sibanye-Stillwater's transition from a South African gold producer to a diversified global precious metals producer was well-timed"

Precious metals price performance (%)



The spot rand 4E PGM basket price of R17,695/4Eoz is approximately 60% higher than it was when the Aquarius and Rustenburg transactions were announced with the spot dollar 2E PGM basket price of US$1,375/2Eoz also approximately 60% higher than it was at the time of the Stillwater acquisition announcement.

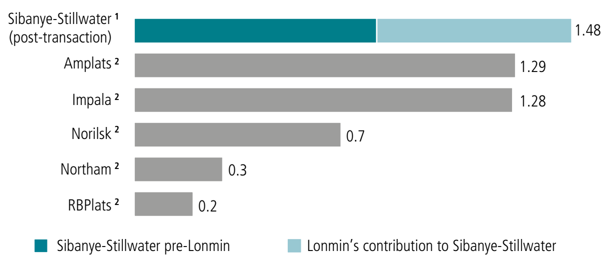
Through these acquisitions, Sibanye-Stillwater has built a sizeable PGM business producing 1.77Moz of 4E/2E at a favourable point in the PGM price cycle. The approximate R34 billion cost of these acquisitions (when PGM prices were significantly lower) is at the low end of historical acquisition prices in the sector and compares favourably with current market valuations for similar-sized peers in the PGM industry, which have recently significantly rerated. Following completion of the proposed acquisition of Lonmin, it is expected that Sibanye-Stillwater will become the largest producer of mined platinum in the world, the second largest producer of palladium globally after Norilsk Nickel, and joint largest rhodium producer with Impala Platinum Holdings. On a gold equivalent basis, Sibanye-Stillwater remains extremely relevant, ranking third behind the proposed Newmont Mining Corporation/ Goldcorp and Barrick Gold Corporation.

On 14 December 2017, we announced an all share offer to acquire 100% of Lonmin. Despite achieving a number of significant milestones during the year, including the approval of the United Kingdom Competition and Markets Authority and the South African Competition Tribunal, subject to specific conditions, an appeal against the Competition Tribunal ruling by AMCU on 19 December 2018 has delayed the completion of the transaction. The Competition Appeal Court of South Africa has set down 2 April 2019 as the date for the hearing of the appeal. As announced on 15 January 2019, Sibanye-Stillwater and Lonmin have agreed to extend the long-stop date for completion of the proposed acquisition to 30 June 2019. Sibanye-Stillwater remains committed to the proposed acquisition – a logical step in further progressing our PGM strategy – which the Board believes will be value-accretive for Sibanye-Stillwater shareholders.

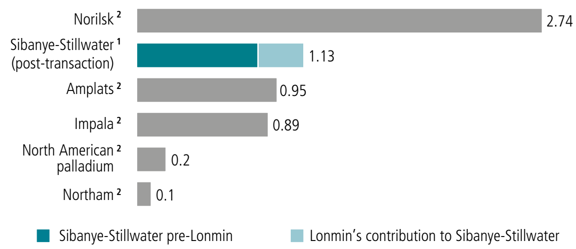
Further detail on the proposed Lonmin acquisition is available at www.sibanyestillwater.com/investors/ transactions/lonmin

"Sibanye-Stillwater is expected to become the largest producer of mined platinum in the world"

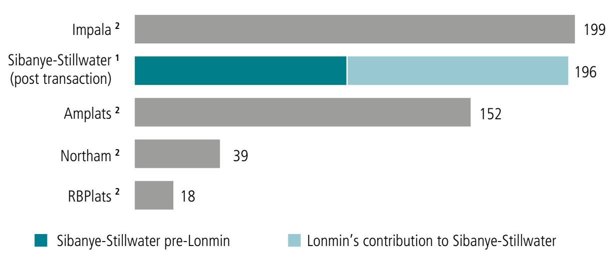
Ranking of 2018 platinum production (Moz)



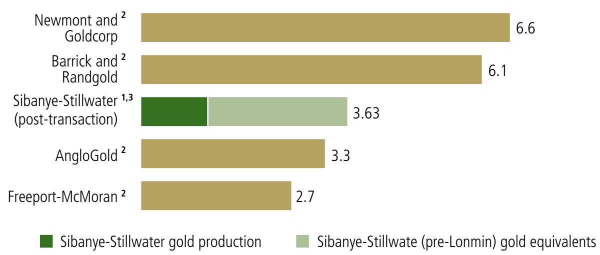
Ranking of 2018 palladium production (Moz)



Ranking of 2018 rhodium production (Moz)



Ranking of 2018 gold and gold equivalents production (Moz)



[1] *2018 full year production from Sibanye-Stillwater proforma Lonmin (September 2018 annuals) excluding recycling volumes – the inclusion of Lonmin information for 2018 is illustrative only as the Lonmin acquisition has not yet been completed and remains subject to a number of conditions, including Lonmin and Sibanye-Stillwater shareholder approvals and the approval of the High Court of England and Wales*

[2] *Peer group information using public company filings for platinum, palladium and rhodium reflect primary production (where available) for H1 2018 annualised unless full year numbers were available while compiling these rankings*

[3] *Sibanye-Stillwater gold equivalents completed on a 4E PGM basis, and gold equivalent ounces calculated as PGM basket price in the period (R14,729/oz)/average gold price (R552,526/kg) in the period multiplied by PGM production (4E) using the Sibanye-Stillwater 2018 prill split*

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

Palladium and rhodium prices have continued to rise in 2019 to date, underpinned by growing market consensus that the fundamental outlook for palladium and rhodium will remain positive for some years. Palladium is the primary product from our US PGM operations and forms an important component of the PGM basket from our South African PGM mines with rhodium, a critical component of diesel and gasoline autocatalysts, only produced in commercially relevant quantities in southern Africa.

The outlook for platinum is similarly constructive although a meaningful increase in the platinum price is still a couple of years out – by our estimation. Demand remains firm and a lack of capital investment in the South African mining industry, since the global financial crisis, is beginning to impact supply with a number of mine closures announced in the past two years. The rapid increase in palladium and rhodium prices has resulted in palladium trading at a more than US$650/oz premium over platinum, for the first time in more than a decade, which is significantly higher than the US$400/oz to US$500/oz price we expected to incentivise substitution. Indeed there are nascent signs that testing of platinum as a partial substitute for palladium is taking place. Consistent with our long-held outlook for platinum, this implies an improvement in future demand although it is likely to only occur over a period of two or three years.

The outlook for gold is similarly positive albeit more muted than the very solid PGM fundamentals. Global political and economic uncertainty is likely to persist for some years to come, which has historically been supportive of gold demand and the gold price. Despite the recent operational challenges we have experienced, we remain committed to our SA gold operations and to restoring these quality assets to profitability once the AMCU strike has concluded.

The gold assets we inherited – Beatrix, Driefontein and Kloof – have created significant value for stakeholders since the unbundling of Sibanye Gold by Gold Fields. When Sibanye Gold listed, reserves were stated as 13.5Moz with an approximate operating life of eight to 10 years. Since then, our SA gold operations have produced approximately 8.6Moz of gold (approximately 64% of the initial reserves) and enabled us to build a substantial, long-life PGM business while returning over R4.1 billion in dividends to shareholders (at an average 4.9% dividend yield over a five-year period), which is approximately 40% of our market capitalisation on listing. Moreover, after producing 8.6Moz of gold in the past six years, gold reserves of 16.6Moz at the end of 2018 are still 23% higher than they were when Sibanye Gold was constituted.

These quality assets provided a solid base from which we were able to build a large globally diversified precious metals company and will continue to contribute to the Group once the operations have normalised.

NET ASSET VALUE

Sibanye-Stillwater has, through a series of favourably priced acquisitions at a low inflection point in the PGM price cycle, built a sizeable PGM business, which offers significant upside to a higher price environment.

The significant increase in the palladium and rhodium prices since these acquisitions were made, combined with consistent delivery of solid operational results, in our view, will result in significant value being delivered to all stakeholders.

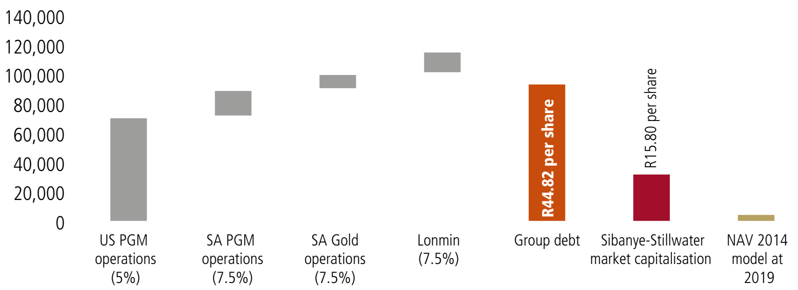
At current market consensus commodity prices and exchange rates, and based on our life of mine (LoM) plans (discounted at an average rate of approximately 7.5% real), we have determined a net asset value (NAV) for the Group of approximately R80 billion. At spot precious metals prices (at 18 February 2019), the NAV increases to approximately R110 billion*. Sibanye-Stillwater is currently trading at a 0.35x price to NAV, which is substantially lower than the average price to NAV of its South African gold and PGM peers.

Our primary focus in 2019 will be to ensure that the inherent value in our NAV flows through into our share price to reduce the price to NAV discount through consistent operational and financial delivery that reflects the benefits of the improved gold and PGM commodity price environments and ensures deleveraging of our balance sheet.

* *Aspects beyond management control, such as volatile commodity prices, cost escalation, production disruptions, and changes to tax and other regulations, among others, could, however, materially impact the Group NAV*

"Quality assets provided a solid base from which we were able to build a large globally diversified precious metals company"

Sibanye-Stillwater NAV analysis at spot on 18 February 2019 – trading at 0.35x (R million)



Source: Company internal model

POSITIONING FOR A NEW WORLD – SFA (OXFORD)

In order to ensure that the Group is suitably positioned for continued delivery of value to stakeholders, Sibanye-Stillwater has agreed to acquire SFA (Oxford), pending certain conditions, which is an established analytical consulting company, a globally recognised authority on PGMs, providing in-depth market intelligence, for several years, on battery materials and precious metals for industrial, automotive and smart city technologies.

The acquisition cost compares favourably with the cost of setting up a similar analytical and research group internally but significantly leapfrogs the time required to build up the intellectual knowledge. While Sibanye-Stillwater will have Board representation consistent with its equity holding, SFA (Oxford) will continue to operate as an independent company, providing services to global clients on metal market analysis. As such SFA (Oxford) is expected to be operating cost neutral to Sibanye-Stillwater. Post completion of the acquisition of SFA (Oxford), Sibanye-Stillwater will retain an 80% equity stake in the company with the balance apportioned to employees as an incentive and retention scheme. In this regard, Stephen Forrest will remain as Chairman of the SFA (Oxford) Board and a non-executive director, Jim Sutcliffe, will be appointed to the SFA (Oxford) Board.

2019 OUTLOOK

The extent and severity of Sibanye-Stillwater's challenges in 2018 were unprecedented but, while we still face a number of challenges, the manner in which the Sibanye-Stillwater team has responded to and dealt with various crises gives me confidence that we are well-positioned to continue delivering superior value to all of our stakeholders.

Our significant investment in the PGM industry was not made lightly and was against conventional market wisdom. The fruits of this contrarian, but carefully considered, strategy have already delivered tangible benefits, which are not yet reflected in our market valuation. A positive and sustainable fundamental outlook for PGMs is being increasingly accepted, and Sibanye-Stillwater's commodity mix and geographical diversification offers a unique investment opportunity.

I am confident that the Section 189A consultations with stakeholders regarding the future of certain shafts at our SA gold operations will result in a more stable and profitable business segment, which will contribute positively to Group earnings in future.

Precious metal prices, particularly palladium and rhodium, have surged in 2019 with the recent depreciation of the rand US dollar 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.

I am convinced that Sibanye-Stillwater offers tangible fundamental value and is strategically positioned to benefit from any further upside in precious metals prices.

RECOGNITION

During the past year of disparate challenges, I have been fortunate to have the support of a team fully committed to achieving the Group's strategic aims and willing at all times to go that extra mile. My thanks to them are unqualified and I am confident that their contributions will continue to be as fulfilling as ever. I am grateful too for the continuing support and wise counsel of the Board.

Neal Froneman
Chief Executive Officer

29 March 2019