

performance against objectives

SCORECARD 2013: PERFORMANCE AGAINST OBJECTIVES

Objective	KPIs	Performance in 2013
Safe, profitable production	<ul style="list-style-type: none"> FIFR LTIFR Productivity Margin 	<p>Safety performance improved – fatal injury frequency rate (FIFR) reduced by 41% and lost-time injury frequency rate (LTIFR) by 11%</p> <p>Safety statistics approaching global benchmarks</p> <p>Sibanye won most South African industry safety awards in 2013</p> <p>Initial productivity gains from organisational restructuring support sustainable production levels in long-term</p> <p>Total headcount reduced by 14%; contractors reduced by 37%; contractors comprised only 7% of workforce</p> <p>Increased operating margin from 35% to 38%</p>
Arrest declining production profile	<ul style="list-style-type: none"> Production Tons (t) mined and milled Gold produced 	<p>Turnaround successful; ore milled increased by 12% and gold production by 17%</p> <p>Increased focus on operational performance and quality of mining</p> <p>Gradual shift to shallower mining and extended life of mine (LoM) facilitated by acquisitions</p>
Reverse increasing cost trends, reduce paylimits and increase margins	<ul style="list-style-type: none"> Operating cost (R/t) All-in cost Total cash cost Margin 	<p>Combined corporate and regional structures</p> <p>Removed layers of management at the operations</p> <p>Reduced spans of control by separating KDC into Kloof and Driefontein</p> <p>Introduced new operating model – multi-disciplinary, empowered teams</p> <p>Flattened organisational structures to ensure more experience and higher levels of skill closer to the face</p> <p>Rightsized the support services function</p> <p>Average underground operating cost decreased by 6% to R1,623/t (US\$169/t)</p> <p>All-in cost reduced by 7% to R354,376/kg (US\$1,148/oz)</p>
Optimise capital and increase flexibility	<ul style="list-style-type: none"> Debt Capex Reserves and Resources 	<p>Reduced gross debt by over 50%</p> <p>Restructured debt on more favourable terms and without restrictions</p> <p>Optimised allocation of capital – increased development rates</p> <p>Reinvesting in ore reserve development (ORD)</p> <p>Ongoing assessment of potential to safely mine secondary reef resources, remnant areas and pillars</p> <p>Gold reserves increased by 6Moz – maintain higher production levels for longer</p> <p>4Moz gold and 43Mlb uranium unlocked in West Wits tailings storage facilities (TSFs) as a result of the proposed acquisition of the Cooke Operations</p> <p>Future of Beatrix secured by acquisition of Wits Gold</p>
Improve and embed relationships, as well as management focus	<ul style="list-style-type: none"> Employee turnover Maintain mining licences 	<p>Implement service level contracts</p> <p>Win the hearts and minds of employees by re-establishing direct communication channels</p> <p>Invest in skills development and transformation</p> <p>Deliver on Mining Charter requirements</p>
Deliver value-accretive consolidation opportunities	<ul style="list-style-type: none"> Added value extends the life of operations 	<p>Enhancing acquisitions with cash flow and earnings</p> <p>Strategic acquisitions are consistent with strategy to extend operational life</p>