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## REGULATORY RELEASE

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18 September 2018

### **Sibanye Gold Limited**

Trading as Sibanye-Stillwater  
Incorporated in the Republic of South Africa  
Registration number 2002/031431/06

Share code: SGL

ISIN - ZAE000173951

Issuer code: SGL

("Sibanye-Stillwater" or "the Group" or "the Company")

### **Lonmin Plc**

Incorporated in England and Wales  
Registered in the Republic of South Africa  
Registration number 1969/000015/10

JSE code: LON

Issuer Code: LOLMI & ISIN: GB00BYSRJ698

("Lonmin")

## **SA Competition Commission makes recommendation to the Tribunal that the Lonmin acquisition be approved subject to agreed conditions**

**Johannesburg, 18 September 2018.** Sibanye-Stillwater (Tickers JSE: SGL and NYSE: SBGL) and Lonmin Plc ("Lonmin") are pleased to note that the South African Competition Commission ("the Commission") has recommended that the South African Competition Tribunal ("Tribunal") approves the proposed acquisition of Lonmin Plc, subject to certain conditions, which are agreeable to both Sibanye-Stillwater and the Commission. The Tribunal is the regulatory body which provides final approval for large mergers in South Africa.

Shareholders are referred to the announcement on 14 December 2017, relating to the offer for the entire issued and to be issued share capital of Lonmin (the "Offer") for further details on the Offer.

Despite the Commission noting a vertical and horizontal overlap of Sibanye-Stillwater and Lonmin's activities in the PGM industry, the Commission found that the proposed merger is unlikely to substantially prevent or lessen competition in any of the markets affected by the proposed merger.

Certain conditions pertaining to public interest concerns related to the merger, agreed to between the Commission and Sibanye-Stillwater, are consistent with Sibanye-Stillwater's approach to stakeholder engagement and its vision of "delivering superior value to all stakeholders".

These conditions include, inter alia:

- to mitigate the potential impact of retrenchments, Sibanye-Stillwater will investigate and implement certain mining projects, subject to the economic viability of the projects being supported by prevailing future metal prices and enhanced operating costs achieved through the realisation of expected synergies.
- In further mitigation of the potential impact of job losses in the region, Sibanye-Stillwater has also committed to investigate the feasibility of an Agri-Industrial Community Development Programme in the Rustenburg area similar to the Bokamoso Barona Initiative, a public-private partnership on the West Rand, which was announced on Friday 7 September 2018.
- In addition, Sibanye-Stillwater will honour Lonmin's current and future Social and Labour plans as agreed with the Department of Mineral Resources, as well as the agreements currently in place with the Bapo ba Mogale Community.
- Finally, the Company continues to support transformation in the mining industry, including the development of Historically Disadvantaged Persons ("HDP"). In this regard Sibanye-Stillwater will both honour existing contracted HDP suppliers to Lonmin and endeavour to continue to utilise HDP suppliers, on reasonable commercial terms, in line with the Company's existing procurement policies.

Neal Froneman CEO of Sibanye-Stillwater commented: "The positive recommendation by the Commission to the Tribunal is pleasing and on terms which we believe are fair, reasonable and in the best interest of all stakeholders. We are confident that this transaction will not only bring greater stability to these assets and ensure a more sustainable and positive future, but also demonstrate Sibanye-Stillwater's commitment to the South African mining sector."

Ben Magara, CEO of Lonmin added: "We are pleased that the parties have reached the agreed conditions and that our transformation journey will continue."

The Offer remains subject to the satisfaction or (where applicable) waiver of the outstanding Conditions set out in Appendix I to the announcement of the Offer by Lonmin and Sibanye-Stillwater on 14 December 2017. Such Conditions include, amongst others, the approval of the Offer by the Tribunal and the approvals of Lonmin and Sibanye-Stillwater shareholders and the courts of England and Wales.

Both Sibanye-Stillwater and Lonmin remain fully committed to the Offer. Further announcements will be made in due course.

-Ends-

## **ENQUIRIES**

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### **Publication of this announcement**

A copy of this announcement will be available at [www.lonmin.com/investors/sibanye-stillwater-offer](http://www.lonmin.com/investors/sibanye-stillwater-offer) by no later than 12 noon (London time) on the business day following the date of this announcement.

Neither the contents of Lonmin's website nor the contents of any website accessible from hyperlinks on Lonmin's website are incorporated into or form part of this announcement.

### **Additional Information**

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable requirements. Any failure to comply with applicable requirements may constitute a violation of the securities law of any such jurisdiction.

This announcement 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 Offer or otherwise, nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. There can be no assurance that the Acquisition will proceed in a timely manner or at all. This announcement does not constitute a prospectus or prospectus equivalent document.

This announcement has been prepared for the purpose of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of jurisdictions outside the United Kingdom. The Offer will be subject to the applicable requirements of the City Code on Takeovers and Mergers and the UK Takeover Panel, the London Stock Exchange, the Financial Conduct Authority, the UKLA and the Johannesburg Stock Exchange.

### **Forward-looking statements**

This announcement may contain certain forward-looking statements within the meaning of the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts in this announcement 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, economic, business, political and social conditions in the United Kingdom, South Africa, Zimbabwe and elsewhere; changes in assumptions underlying Sibanye-Stillwater's and Lonmin's estimation of their current mineral reserves and resources; the ability to achieve potential synergies from the Offer; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, as well as at existing operations; the success of Sibanye-Stillwater's and Lonmin's business strategies, exploration and development activities; the ability of Sibanye-Stillwater and Lonmin to comply with requirements that they operate in a sustainable manner; changes in the market price of gold, PGMs and/or uranium; the occurrence of hazards associated with underground and surface gold, PGMs and uranium mining; the occurrence of labour disruptions and industrial action; the availability, terms and deployment of capital or credit; 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; 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; supply chain shortages and increases in the price of production inputs; fluctuations in exchange rates, currency devaluations, inflation and other macro-economic monetary policies; the occurrence of temporary stoppages of mines for safety incidents and unplanned maintenance; their 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; failure of information technology and communications systems; the adequacy of insurance coverage; any social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye-Stillwater's operations; and the impact of HIV, tuberculosis and other contagious diseases. These forward-looking statements speak only as of the date of this announcement. Sibanye-Stillwater and Lonmin expressly disclaim any obligation or undertaking to update or revise any forward-looking statement (except to the extent legally required).

### **Notes to editors**

Lonmin, which is listed on both the London Stock Exchange and the Johannesburg Stock Exchange, is one of the world's largest primary producers of PGMs. These metals are essential for many industrial applications, especially catalytic converters for internal combustion engine emissions, as well as their widespread use in jewellery.

Lonmin's operations are situated in the Bushveld Igneous Complex in South Africa, where more than 70% of known global PGM resources are found.

The Company seeks to create value for shareholders through mining, refining and marketing PGMs and has a vertically integrated operational structure - from mine to market. Underpinning the operations is the Shared Services function which provides high quality levels of support and infrastructure across the operations.

For further information, please visit our website: <http://www.lonmin.com>

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