PROFILE, STRUCTURE AND PRODUCTS

CORPORATE PROFILE

Northam is an independent, mid-tier, integrated PGM producer with two primary operating assets – the Zondereinde and Booysendal platinum group metal (PGM) mines in the South African Bushveld Complex – and its own metallurgical operations, including a base metals removal plant and smelter, on the Zondereinde lease area. Performance reported in this report only relates to these mines where the company is the operator.

The Zondereinde mine is a mature operation and produces approximately 300 000oz of PGM in concentrate annually.

At steady state, by late 2015, Booysendal, which came into production on 1 July 2013, should produce approximately 160 000oz annually.

Post year-end, Northam acquired the remaining 20% of Northam Chrome Producers Proprietary Limited (NCP). NCP produces chrome from Zondereinde mine's UG2 tailings. NCP is now a wholly-owned subsidiary.

In addition, the company holds a 7.5% interest in another PGM mining operation in the Bushveld Complex, the Pandora joint venture (JV), in partnership with Anglo American Platinum Limited (Amplats), the Bapo ba Mogale community and Lonmin plc (Lonmin).

Northam also owns a 50% interest in the Dwaalkop PGM JV, a 51% initial participatory interest in the Kokerboom JV exploration project and a 20.3% interest in listed diamond miner, Trans Hex Group Limited (Trans Hex).

The company milled a total of 3.2Mt (Zondereinde: 1.7Mt, Booysendal: 1.5Mt) in the year under review to produce 10 213kg of metal in concentrate, which has been processed, to realise sales revenue of R5.3 billion (F2013: R4.4 billion) – an increase of 20.8%, largely due to sales volumes from the recently commissioned Booysendal mine and the effects of a much weaker R/US$ exchange rate year on year (F2014: R10.35/US$; F2013: R8.82/US$).

At 30 June 2014, Northam held a combined resource base of 195.0 million ounces (Moz) – 15.1Moz in the reserve category – with a mining life of more than 50 years.

Group structure as at 30 June 2014

NORTHAM PLATINUM LIMITED

100%	Zondereinde mine & metallurgical processing	Resource: 80.1Moz
100%	Booysendal mine	Resource: 103.9Moz
50%	Dwaalkop	Attributable resource: 8.9Moz
7.5%	Pandora	Attributable resource: 2.1Moz
80%	Northam Chrome Producers	Cr_2O_3 concentrate
20.3%	Trans Hex Group	Listed diamond producer and marketer
51%	Kokerboom	FeO Cu Au prospect

SHAREHOLDER BASE

Northam's shares are listed on the JSE. Its share code is NHM and its debt instruments are listed under the symbol NHMI. The company has been admitted to participate in the JSE's Socially Responsible Investment (SRI) Index.

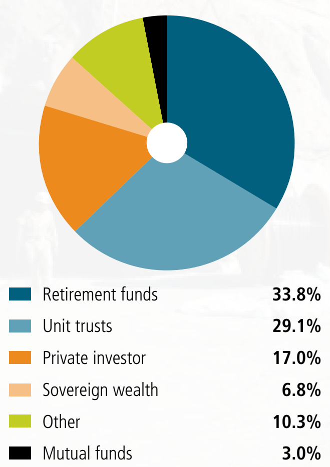
Northam has a sponsored Level 1 American Depositary Receipt (ADR) facility. The shares trade under the ticker code NMPNY on the over-the-counter (OTC) market in the United States (US).

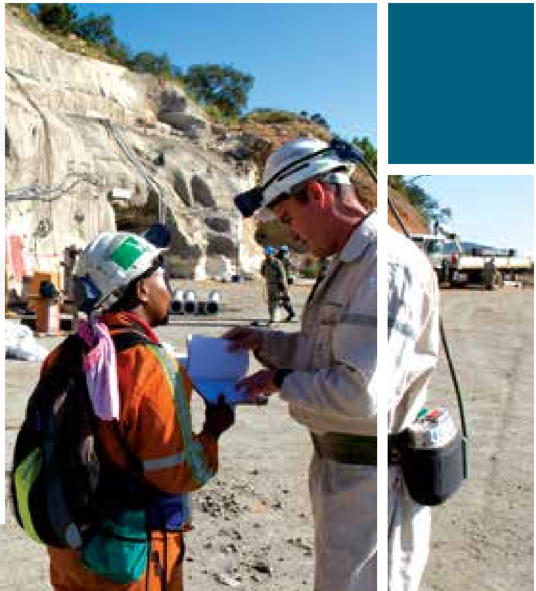
No shares were allotted or issued to participants of the Northam Share Option Scheme or to participants of the Northam Share Incentive Plan during the year while 15 000 000 shares were allotted and issued in terms of a claw-back rights offer, which closed on 29 November 2013, resulting in the share capital at 30 June 2014 increasing to 397 586 090 (2013: 382 586 090) shares. At the end of the 2014 financial year, the company's market capitalisation was R18.1 billion.

Northam has a geographically diverse shareholder base, which at 30 June 2014 comprised predominantly institutional investors in South Africa (74.7%), North America (15.5%), Europe and the United Kingdom (7.1%), the Far East (2.3%), Australasia (0.3%) and Africa (0.1%).

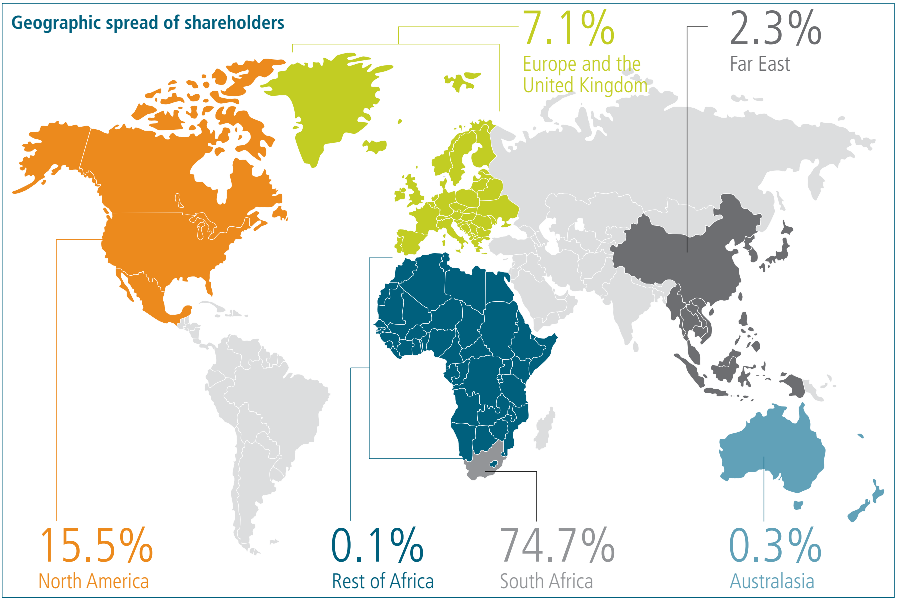
Northam's empowerment status has been a matter of concern for a considerable period. To this end, Northam is pursuing an empowerment transaction, balancing the needs of the company's current shareholders with the Department of Mineral Resources (DMR) requirements to bolster Northam's empowerment ownership. A successful conclusion of the proposed transaction will enable Northam to pursue its strategic ambitions.

Shareholder type in F2014





Booysendal, the group's new PGM mine on the eastern limb



PRODUCTS AND END USES

The metallurgical complex at the Zondereinde mine produces final concentrate, which is then dispatched to a precious metal refinery in Hanau, Germany. For 22 years, Northam has refined its metal in terms of a long-term contract with Heraeus GmbH. The company's in-house marketing department is responsible for marketing and sales of products domestically and to major global markets in Asia, Europe and North America.

Northam's primary products are the three main PGMs: platinum, palladium and rhodium. The primary consumers of these metals are the motor-manufacturing and jewellery industries, among other industrial sectors.

In the automotive sector, PGMs are used in exhaust systems, specifically autocatalysts, helping to reduce noxious gases released into the atmosphere.

Platinum jewellery is tremendously popular in Asia. Globally, overall demand for platinum increased in 2014, driven largely by the autocatalyst, jewellery and industrial sectors. Other industrial uses range from chemical and electrical applications to glass manufacture.

PGMs have also attracted investment attention with the launch of exchange-traded funds (ETFs), which expose investors to physical metal holdings.

PGMs are traded on international markets where the metal prices are determined by global supply and demand, and are US dollar-denominated. This means that South African PGMs realise prices in US dollars, which are then converted and reported in South African rands on the income statement. Northam has little or no influence on the pricing of the sales of its metal, which is sold in sponge or ingot form to customers in the US, Europe and the Far East, and is essentially a price taker.