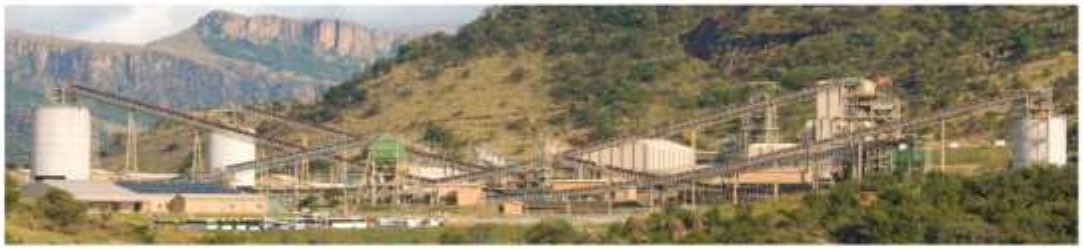



# NORTHAM

PLATINUM LIMITED

## HSBC CONFERENCE
## SANDTON
## 19 NOVEMBER 2015





# Disclaimer

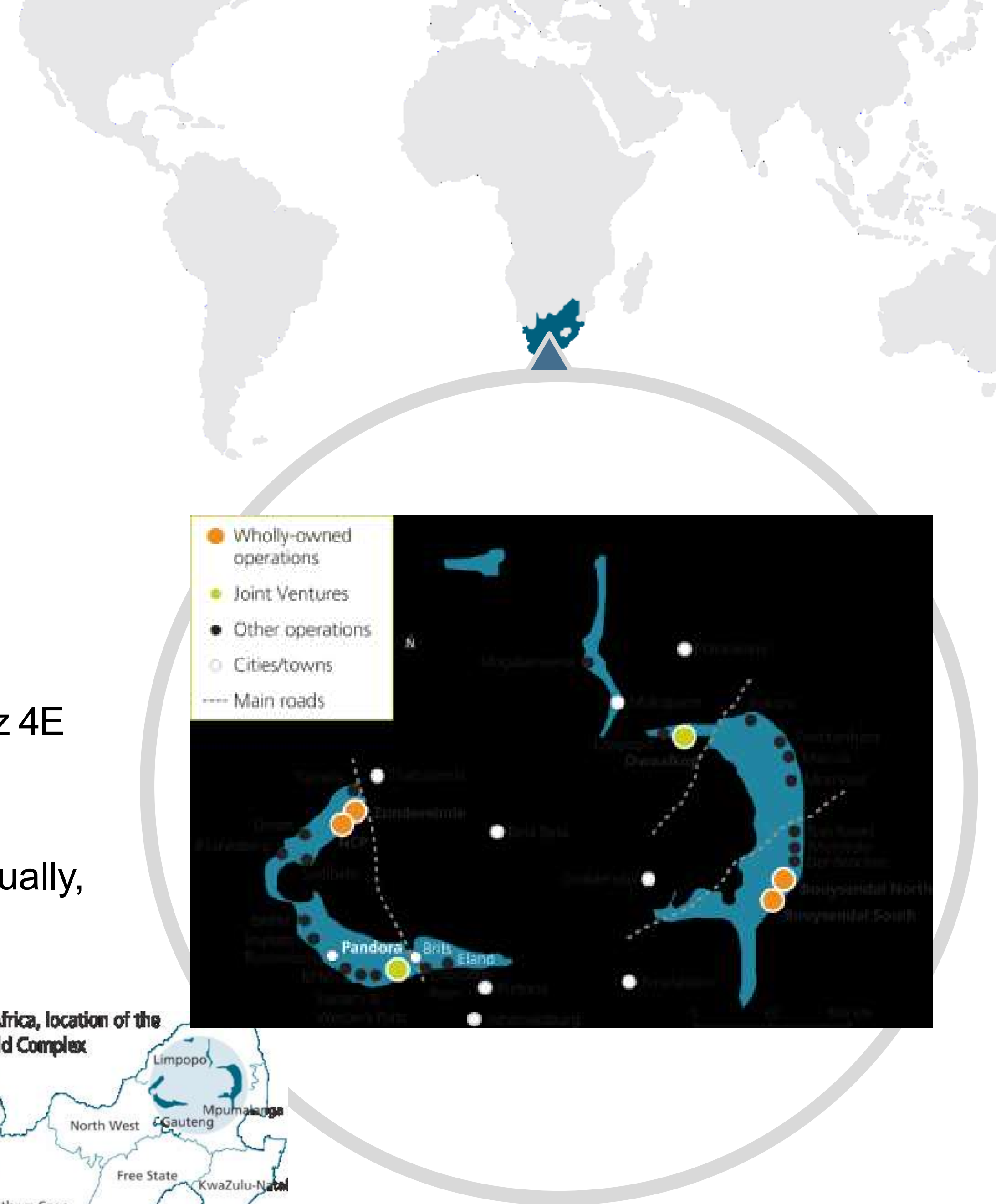
Certain statements in this presentation (other than the statements of historical fact) may contain forward-looking statements regarding Northam's operations, economic performance or financial condition, including, without limitation, those concerning the economic outlook for the platinum industry, expectations regarding metal prices, production, costs and other operating results, growth prospects and the outlook for Northam and any of its operations and projects.

Although Northam believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct.

Changes in the economic and market conditions, the success or otherwise of business and operating activities, changes in the regulatory and legislative environment, fluctuations in metal prices and currency exchange rates, may influence the company's performance, and results may differ materially from those set out in the forward-looking statements.

# Northam – who we are

- Only mid-tier, integrated PGM producer
  - full control of metal from mine to market
- Fully empowered with 35.4% HDSA holding secured for 10 years
- Strong balance sheet
- Diverse operating assets
  - Booysendal North – shallow, modern and mechanised, ramping up to steady state 160 000oz 4E (90 000oz Pt) in second half of 2015
  - Zondereinde – established, stable and reliable producer of ~280 000oz 4E (170 000oz Pt) annually, high grades and recoveries with metallurgical infrastructure and capacity
- Combined resource base of 194.4Moz (excluding Everest)
- Growth path secured with acquisition of Everest (Booysendal South)





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# Northam – asset portfolio

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| | | |
|---|---|---|
| 100% | Zondereinde mine & metallurgical processing | Resource: 81.1Moz |
| 100% | Booysendal mine | Resource: 102.3Moz |
| 100% | Northam Chrome Producers | $Cr_2O_3$ concentrate |
| 100% | Booysendal South (Everest) | Resource: 3.1Moz |
| 7.5% | Pandora | Attributable resource: 2.1Moz |
| 50% | Dwaalkop | Attributable resource: 8.9Moz |
| 20.3% | Trans Hex Group | Listed diamond producer and marketer |
| 51% | Kokerboom | FeO Cu Au prospect |

# 2015 – key developments

- Heraeus partnership secures investment in new smelter
- Booysendal ramping up to steady state
- Labour risk mitigated – three year wage deal
- Unit costs well contained
- F2015 operating profit recovers to R596 million
- Group production higher at 378 070oz
- Landmark HDSA transaction concluded
- Strong balance sheet - cash injection of R4.4 billion

**BEE interests, strategic interests and free float**
(%)

| | |
|---|---|
| Free float | 41.7 |
| Zambezi Platinum | 31.4 |
| Coronation Asset Management | 26.9 |

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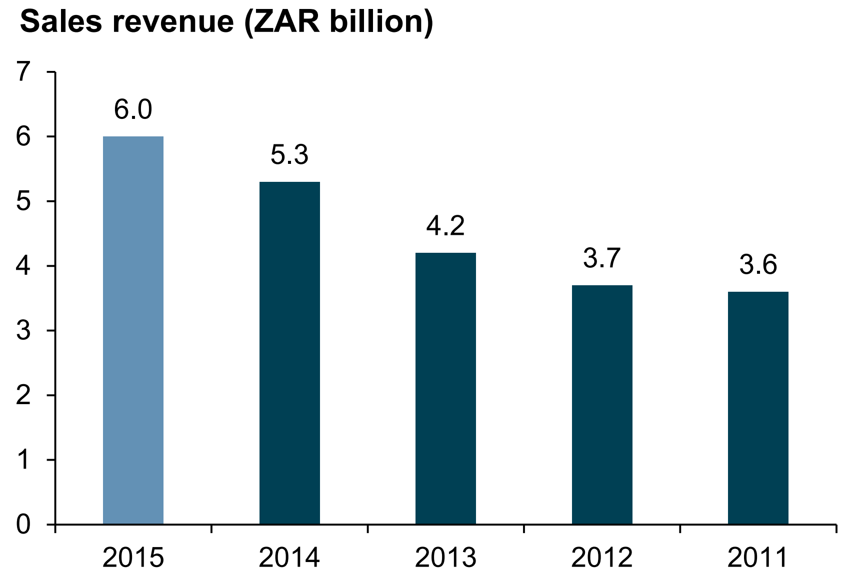
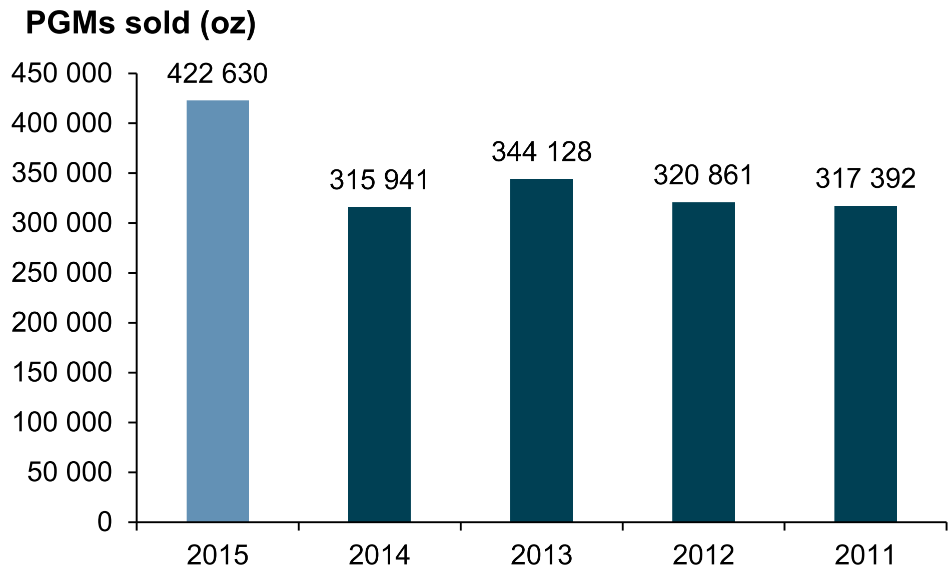
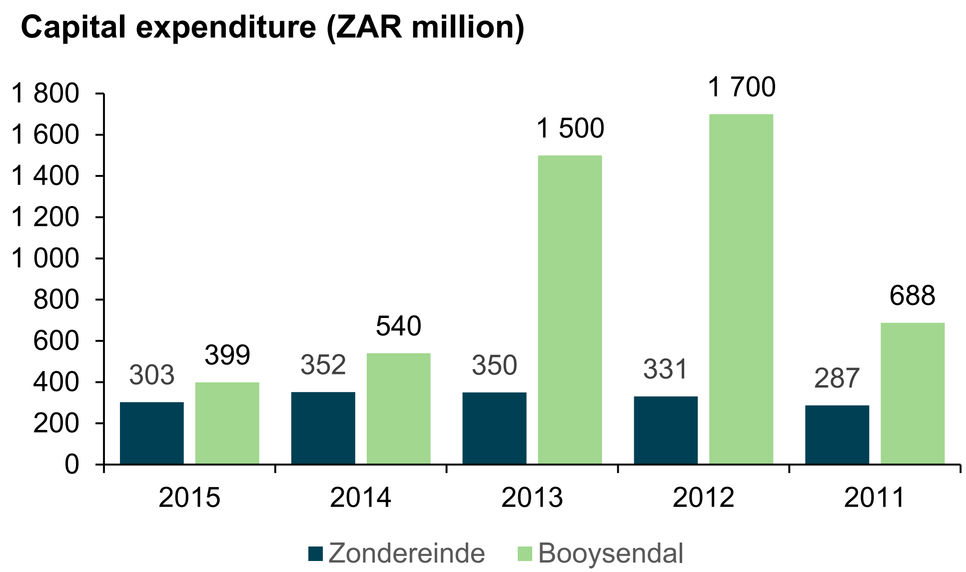
# Five year impression



# Two-pronged strategy

- **Internal operational optimisation**
  - Zondereinde
    - increasing LoM and further exploiting UG2
    - metallurgical processing - leveraging advantages and reducing risks
  - Booysendal
    - continued ramp-up
    - improving concentrator recoveries
    - evaluate growth opportunities
- **Evaluating external expansion opportunities**

# Zondereinde − established producer

- **Zondereinde – mature, reliable and long-life operation**
  - twin shaft system
  - mining both Merensky and UG2, producing ~280 000oz 4E annually
  - highest average grades in the industry
  - pioneers of low environmental impact hydropowered mining technology
  - 20 year LoM
  - deepening project at R130 million capex over five years
  - 2016 SIB capex at R303 million (including deepening project)
  - labour complement: 6 800 permanent employees

# Zondereinde − internal optimisation

- **Zondereinde – unlocking the value**
  - deepening project on track
  - infrastructure suite to provide good quality Merensky reef
  - underground refrigeration plant on 13 level installed to improve environmental conditions underground
  - shifting the mining mix to UG265%: MR35%
  - expanding smelter capacity

# Booysendal North – modern, mechanised

- **Booysendal UG2 North – shallow, mechanised, scaleable**
  - infrastructure completed for steady state production
  - UG2 reef initial target
  - shallow ounces, surface outcrop
  - 2016 capex of R363 million (R113m stay in business; R250m project capex)
  - excellent safety record
  - labour complement: 1 600

# Booysendal − internal optimisation

- **Booysendal Merensky expansion**
  - pre-feasibility to determine viability of mechanised Merensky reef mining
  - bulk sample and trial mining to be completed by Dec 2015
  - potential for 75 000 additional 4E oz per annum at a capital cost of R800 million
  - potential modular plant expansion to cater for additional UG2 and Merensky production at a capital cost of R1.2 billion

# External expansion – Everest

- **Booysendal South (Everest)**
  - acquisition cost of R450 million
  - surface infrastructure includes:
    - 250ktpm concentrator
    - tailings facilities
    - water allocation
    - power allocation
    - offices and workshops
  - target mining area is Booysendal South orebody containing some 60Moz
  - five-year development programme

*Image source: Aquarius Platinum, Everest*

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# Leveraging our smelting capacity

- **Integrated metals processing**
  - two concentrators, smelter, base metals removal on site at Zondereinde
  - patented, innovative metallurgical applications reduce chrome build-up and improve precious metals recovery
  - long-standing partnership with Heraeus for precious metals refining (scaleable)
  - independent marketing to established global customer base
  - planned smelter expansion (capex R750 million)

# BEE transaction – main features

- Landmark R6.6 billion BEE equity transaction
- Effective net 35.4% HDSA ownership (including the Toro Trust)
- R4 billion net cash injection to fund growth aspirations
- 10-year security of HDSA ownership, ensuring Mining Charter compliance
- Immediate economic value transfer to broad-based HDSA participants, including:
  - employees
  - communities
  - range of strategic HDSA partners
- Funding fully-secured through support from major shareholders

# BEE transaction – structure

**TRANSACTION STRUCTURE**

NORTHAM PLATINUM LIMITED →

New ordinary shares issued:
**112.1 million**
BEE representation: **22.0%**
Value: **R4.6 billion**
(US$418 million)

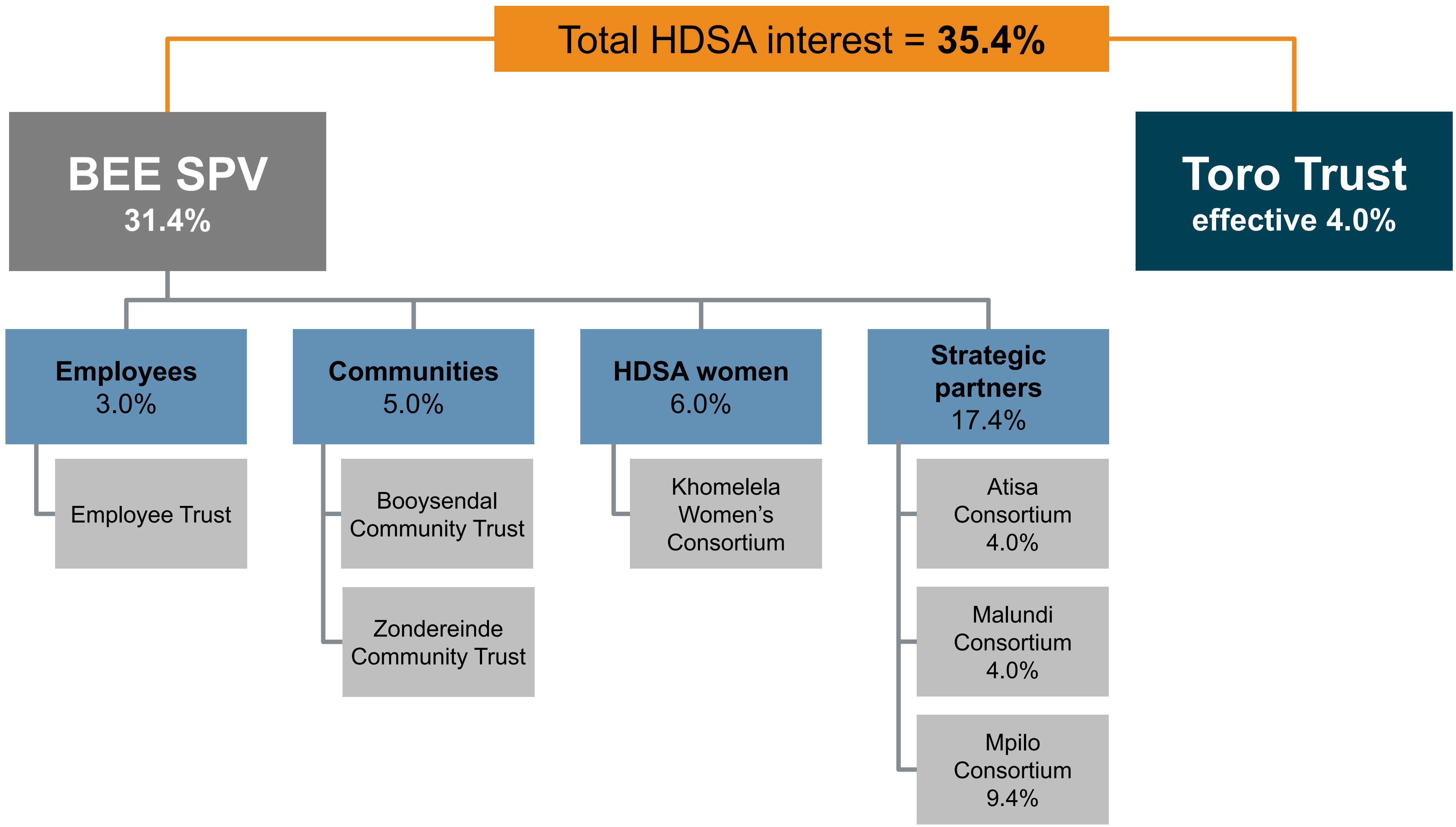
PIC →

Existing ordinary shares:
**47.7 million**
BEE representation: **9.4%**
Value: **R2 billion**
(US$182 million)

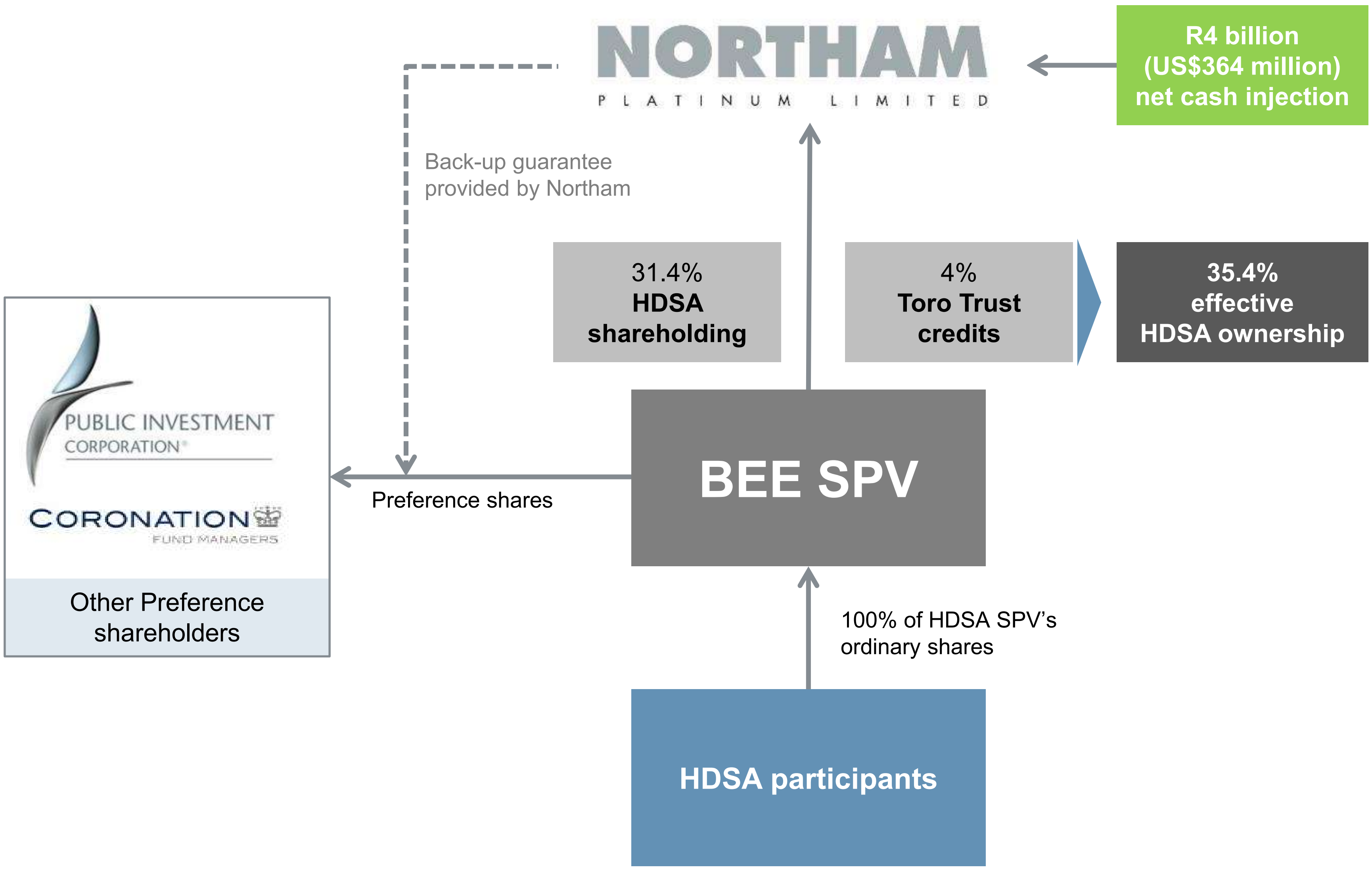
→ **BEE SPV**
Total shares:
**159.8 million**
BEE representation: **31.4%**
Value: **R6.6 billion**
(US$600 million)

**Shares issued sold at R41 (US$3.72) per share**

# BEE transaction – structure (cont)



# BEE – final structure



# Mining in SA – risk factors

- Labour relations and inter-union rivalry
- Legislative environment
  - mineral rights and security of tenure
  - Mining Charter review
- Mining input costs
- Education and skills void
- Community concerns

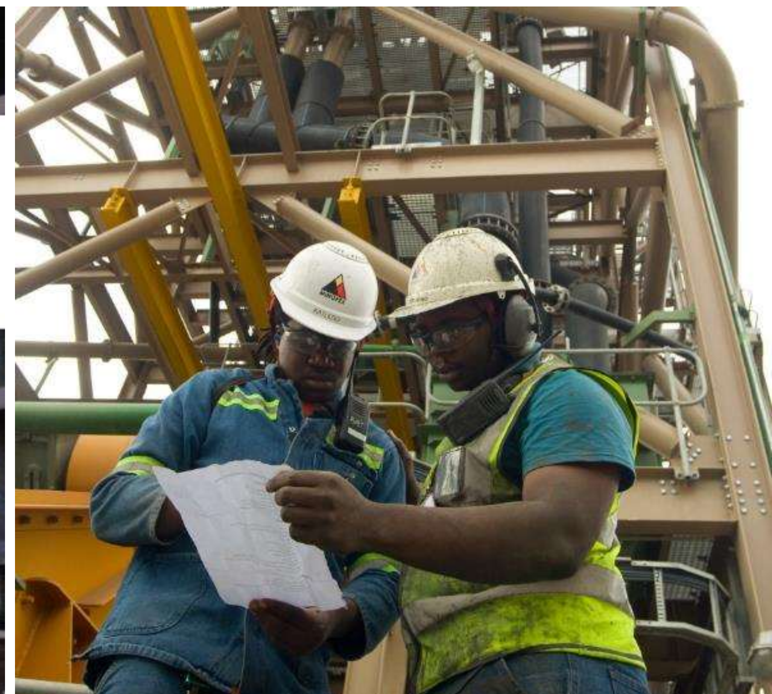


# Investment case

- Energetic and competent leadership
- Innovative technology
- Solid operating platform
- Large resource base
- Optionality at Booysendal
- Empowerment credentials in place
- Strong balance sheet
- Well-positioned for industry consolidation

# Shareholder information

- JSE listing since 1987
- Share code: NHM
- Admitted to the Socially Responsible Investment Index since 2006
- Shares in issue: 509 781 212 (Jun 2015)
- Market cap of R15.8 billion (US$1.15 billion) (Nov 2015)

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**Shareholder information**

| | |
|---|---|
| Name | Northam Platinum Limited |
| Share code | NHM |
| ISIN code | ZAE 000030912 |
| JSE sector | Platinum |
| Shares in issue | 509 781 212 |