

# Quarterly review and production report for the period 1 July to 30 September 2013

17 October 2013

## Satisfactory performance despite major plant shutdown

- LTIFR and SIFR improved by 3% and 58% respectively
- BRPM primary mill discharge end replacement successfully completed – 15 day shutdown
- Production output and unit costs impacted by planned plant shutdown
- 13% reduction on milled tonnes
- 4% decrease in 4E metals in concentrate produced
- 9% increase in cash operating cost per platinum ounce produced
- 11% improvement in built-up head grade
- Expansion and replacement projects remain on track and within budget

		Unaudited quarter ended 30 September 2013	Unaudited quarter ended 30 September 2012	September 2013 vs. September 2012
<b>Safety</b>				
SIFR (/200,000 hrs)	rate	0.18	0.44	58%
LTIFR (/200,000 hrs)	rate	0.59	0.61	3%
<b>Production</b>				
Total tonnes milled	kt	540	621	-13%
% UG2 of total tonnes milled	%	19.4%	18.8%	3%
4E built-up head grade	g/t	4.41	3.96	11%
4E built-up head grade - Mer	g/t	4.53	4.10	10%
4E built-up head grade - UG2	g/t	3.89	3.38	15%
Closing stocks – Surface stockpiles	kt	135	97	39%
<b>Metals in concentrate produced</b>				
4E	koz	65.6	68.7	-5%
Platinum	koz	42.4	44.5	-5%
Palladium	koz	17.5	18.3	-4%
Rhodium	koz	3.7	3.6	3%
Gold	koz	2.0	2.3	-13%
<b>Cash operating costs</b>				

		Unaudited quarter ended 30 September 2013	Unaudited quarter ended 30 September 2012	September 2013 vs. September 2012
	Unit			
Cash operating cost / Pt oz delivered	R/oz	10 197	10 389	2%
Operating cash cost / tonne milled	R/t	1 041	872	-19%
Operating cash cost / Pt oz M&C	R/oz	13 263	12 178	-9%
Operating cash cost / 4E oz M&C	R/oz	8 565	7 895	-9%

<b>Capital expenditure</b>				
Total capital	R'm	275.9	375.5	27%
Expansion	R'm	192.8	231.2	17%
Replacement	R'm	42.0	71.7	41%
Stay-in-business (SIB)	R'm	41.0	72.5	43%
SIB / operating cost %	%	7%	13%	46%

\* Please note that any difference in percentage change in this table is due to rounding

## Safety

RBPlat has recorded a 3% and 58% improvement in its lost time injury frequency rate (LTIFR) and serious injury frequency rate (SIFR) respectively when compared to the same period in 2012. The Styldrift Project achieved 1000 fatality free days on the 14 of August 2013.

Two Section 54 notices were issued during the quarter but did not materially affect production.

## Production

Replacement of the primary mill discharge end at the BRPM concentrator during the quarter led to the concentrator being offline for a total of 15 production days. The stoppage directly impacted on production volumes, with 13% less tonnes being milled when compared to the same period in 2012. An 11% improvement in built-up head grade however assisted in minimising the impact on metals in concentrate output, with 4E ounces in concentrate produced reducing by only 5%.

A total of 90 218 tonnes of Merensky ore has been stockpiled ahead of the concentrator as a result of the shutdown and will be treated within the next three to four months.

## Cash operating costs

Cash operating cost per platinum ounce delivered reduced by 2% year on year from R10,389/oz to R10,197/oz.

The 13% and 5% respective reduction in milled volumes and 4E metals in concentrate, brought about by the replacement of the mill discharge end, however resulted in the year on year increases in cash unit cost per tonne milled and platinum ounce produced being exaggerated.

Cash unit cost per tonne milled and per platinum ounce produced increased by 19% and 9% respectively when compared to the same period in 2012.

## **Capital**

Capital expenditure ended 27% (or R99.6 million) lower for the period under review when compared to the same period in 2012 and is aligned with the construction programmes of the various major projects.

Expansion capital reduced by 17% (or R28.2 million), the lower expenditure being attributable to variations in project work package requirements between the comparative periods.

Replacement capital expenditure reduced by 41% (or R29.7 million) due to the completion of BRPM Phase II project.

Stay-in-business (SIB) expenditure ended 43% (or R31.5 million) lower due to the completion of projects related to establishing independence from Anglo American Platinum.

## **Projects**

### **Styldrift I Project (expansion)**

The overall project is 34.6% complete against a plan of 33.7%.

Shaft sinking operations have progressed to a depth of 708m at the Main shaft and 642m below surface on the Services shaft. Lateral development on all three levels has advanced, with 1,128m having been developed during the quarter, bringing total lateral development for the YTD to 1,731m. Piloting of the first raise bore ventilation shaft commenced in August 2013 with a total of 310m having been piloted by the end of the quarter, with raise boring planned to commence in November 2013. Project surface construction continues to progress according to plan.

The capital expenditure for the quarter amounted to R177.4 million in line with budget, with forecast expenditure for the year remaining at R728 million. Project expenditure to date amounts to R2.304 billion, with total commitments of R2.861 billion.

Key milestones for the fourth quarter are:

- Sink Services shaft to 708 level
- Complete 624m of lateral development
- Commence with the establishment of the underground silos

### **BRPM Phase III Project (replacement)**

Phase III involves the extension of North shaft Merensky decline from 11 level down to 15 level at the mine boundary. The overall project is ahead of schedule at 52% complete against a plan of 48%.

The project remains below budget, with expenditure for the quarter amounting to R40.2 million and R542.9 million for the project to date.

The information set out in this announcement has not been reviewed and reported on by the company's external auditors.

Johannesburg  
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