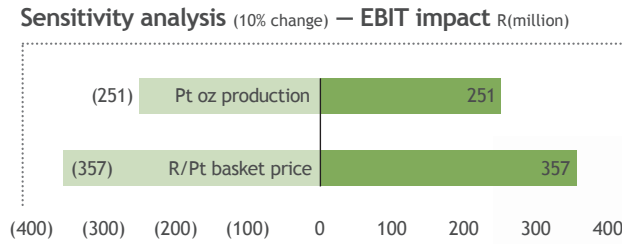


OUR BUSINESS MODEL



We use our business model to create economic value for all our stakeholders.



THE ELEMENTS UNDERPINNING OUR BUSINESS MODEL

1 THE VALUES THAT UNDERPIN OUR BUSINESS MODEL:

Our values are designed to deliver earnings and growth and create shared value for our stakeholders through responsible safe mining.

Safety and people first

Mining is a high-risk business and cannot succeed without total trust, respect, teamwork and an uncompromising commitment to safety and people first.

Promises delivered

We do what we say we will do.

Mutual interests and mutual rewards

We have mutual goals and mutual interests and we depend on each other to realise our vision and mission. We operate in good faith, openly and transparently.

2 ISSUES IMPACTING OUR ABILITY TO CREATE VALUE:

- > The global economic and market conditions resulting in continuing soft PGM prices
- > Socio-political environment's negative impact on South Africa's investability
- > RBPlat's ability to manage operating costs

See page 54 of *manufactured capital*

- > Impact of regulatory and legislative environment

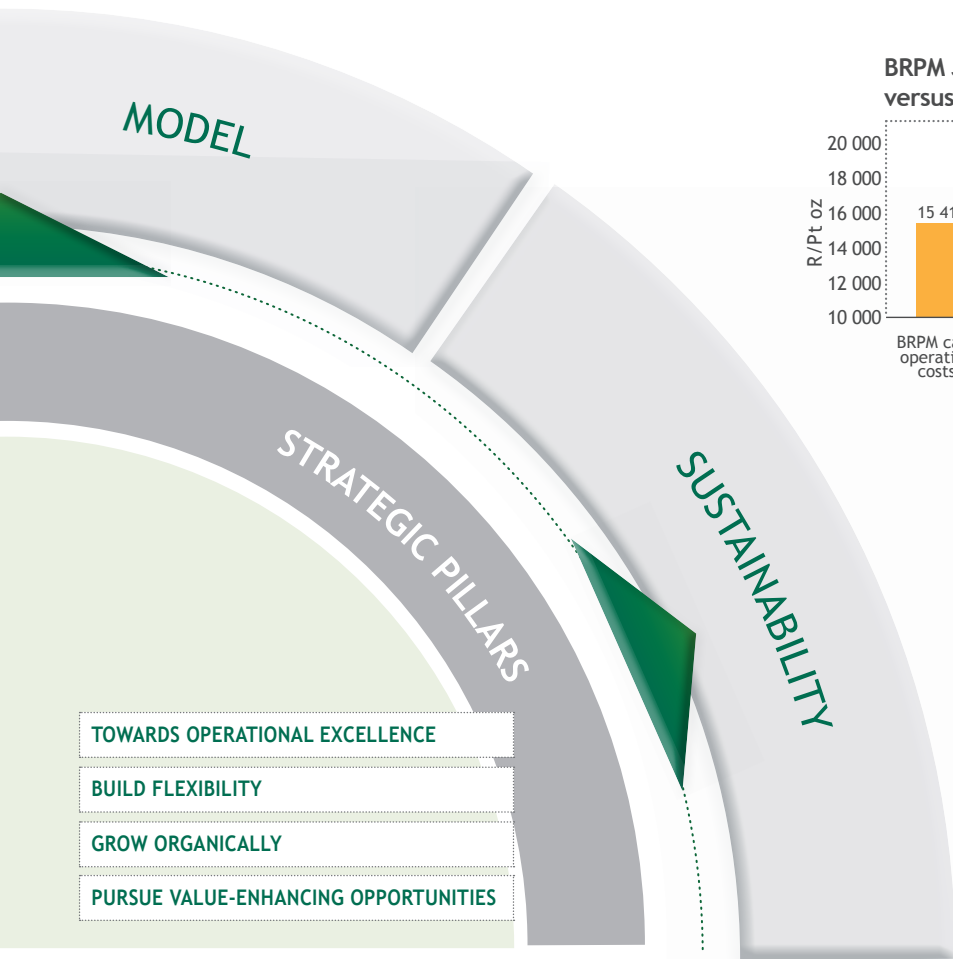
3 OUR REVENUES ARE AFFECTED BY:

- > PGM prices
- > Rand:US\$ exchange rate
- > Grade
- > Recoveries
- > Tonnes milled
- > Tonnes delivered
- > Royalty received from Impala Platinum

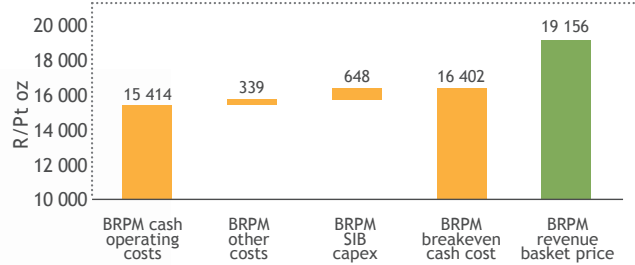
For more information see page 46 of *financial capital*.

4 THE KEY RESOURCES AND RELATIONSHIPS OUR BUSINESS MODEL DEPENDS ON:

- > Prospecting and mining rights from government
- > Our mineral resources and reserves
- > Our social licence to operate
- > Our infrastructure
- > Financial capital from the investment community
- > Human capital that provides the range of skills we need
- > Stable labour and community relationships
- > RBPlat's relationship with our joint venture partner, Rustenburg Platinum Mines (RPM)
- > Key suppliers and service providers
- > Our offtake agreement with RPM



BRPM Joint Venture's breakeven cash cost versus its revenue basket price



CORPORATE GOVERNANCE THROUGH ETHICAL AND EFFECTIVE LEADERSHIP

5 OUR ACTIVITIES INCLUDE:

- > Exploration – most recently at Styldrift II
- > Mining – extracting platinum group metals (PGMs) in the North West province of South Africa at the BRPM and Styldrift I mines
- > Beneficiation in the BRPM concentrator of the PGMs we mine
- > Selling our PGM concentrate to RPM through an offtake agreement
- > Environmental management and rehabilitation
- > The ongoing review of value-enhancing opportunities

6 OUR COSTS INCLUDE:

- > Enrolled employees
 - > Contractors
 - > Utilities
 - > Capital expenditure (*stay in business, replacement and expansion capital*)
 - > Consumables
 - > Maintenance
 - > Mining
 - > Beneficiation
 - > Taxes and royalties
 - > Social investment
 - > Rehabilitation
- For more information see financial capital on page 42, manufactured capital on page 52, human capital on page 70, social capital on page 100 and natural capital on page 114.*






7 OUR TOP RISKS AND OPPORTUNITIES:

- > Safety performance
- > Potential for operating costs to escalate above CPI
- > Adverse PGM prices
- > Strengthening of rand basket price
- > Inability to deliver capital projects on time and within budget
- > Availability of funding for capital projects
- > Lack of availability of utilities
- > Environmental and climate change management
- > Failure to have available, adequate and appropriate skills (key employees)
- > Potential breakdown in stakeholder engagement and responsiveness
- > Acquisition of Masevu

8 WHAT DIFFERENTIATES US:

- > Black-owned and controlled
- > Shallow mines
- > Our position on the cost curve (see page 34)
- > High grade long-life Merensky producer
- > Proven ability to respond quickly to changes in market conditions
- > Low-cost bord and pillar mechanised mining at Styldrift I
- > Ability to achieve cost reductions in our supply chain
- > Our modular approach to processing capacity

HOW WE USE OUR STOCK OF CAPITALS TO CREATE VALUE

	The stock of capital we had at the beginning of the year	The outputs we achieved from employing our stock of capitals
 <p>Financial capital</p>	<ul style="list-style-type: none"> > R836 million in cash on hand > R500 million available in revolving credit facility > R458 million general banking facilities of which R202 million was used for guarantees > NAV of R11.2 billion 	<ul style="list-style-type: none"> > R1.3 billion in cash on hand > R1.5 billion available in term and revolving credit facilities > R508 million general banking facilities of which R119.4 million was used for guarantees > NAV of R10.7 billion
 <p>Manufactured capital</p>	<ul style="list-style-type: none"> > Mining infrastructure above and below ground at BRPM > Mining infrastructure above and below ground at Styldrift I > BRPM concentrator infrastructure > Stock of natural capital (reserves) 	<ul style="list-style-type: none"> > 2 992kt of ore delivered > IMS flexibility of 1.68 above our target of 1.5 > 6.8km of development at Styldrift I > 3 021kt milled > 212koz Pt metal in concentrate > 328koz 4E metals in concentrate > North shaft Phase III replacement project at BRPM 96% complete at year-end
 <p>Human capital</p>	<ul style="list-style-type: none"> > 7 400 employees** > Effective agile leaders > R62 million invested in training and development > Skilled employees 	<ul style="list-style-type: none"> > 8 372 employees** > R73.5 million invested in training and development > Zero fatalities > Safety leadership improving > Retained the skills we require
 <p>Intellectual capital</p>	<ul style="list-style-type: none"> > Sustainability, risk management, assurance and governance structures > Systems, controls and processes > Geological model > Digitalisation of Styldrift I > Ability to innovate 	<ul style="list-style-type: none"> > Effective decision-making resulting in strong governance, proactive risk management, ability to react rapidly to changing business conditions > Increased understanding of ethical culture in RBPlat > Ability to rapidly identify and address safety risks > Integrated thinking > Innovative ways of working
 <p>Social and relationship capital</p>	<ul style="list-style-type: none"> > Social licence to operate > Investment of R287.1* million in SLP commitments during 2016 > R1.65 billion invested in HDSA discretionary procurement in 2016 > R513.7 million spent on local HDSA discretionary procurement > Effective stakeholder relationships 	<ul style="list-style-type: none"> > R40.5 million invested in SLP commitments > 315 community members trained in portable skills > R2.3 billion in HDSA discretionary procurement > R924.6 million spent on local HDSA discretionary procurement > R2.4 million spent on enterprise and supplier development
 <p>Natural capital</p>	<ul style="list-style-type: none"> > Mineral reserves increased 8% > 40% reduction in potable water consumption as a result of commissioning of a water treatment plant > Energy and water use efficiency targets met at BRPM concentrator 	<ul style="list-style-type: none"> > Effective environmental management > Efficient use of the energy and water we employ in our operations > Effective waste management > Established the vulnerability of our operations and local communities to climate change through the commissioning of a climate change vulnerability assessment > 16.1% increase in potable water usage as a result of increased production

* This amount includes R251.1 million invested in our employee home ownership scheme

** Includes corporate office employees

The outcomes we achieved	Trade-offs and actions to enhance outcomes
<ul style="list-style-type: none"> 46 > Saleable product in the form of PGM concentrate 48 > Cash flow generated by the sale of our concentrate achieved by employing financial, human, manufactured and natural capital 	<p>Issuing of new RBPlat ordinary shares to fund the purchase of Maseve. Due to RBH not participating its shareholding in RBPlat will be reduced. This will increase the free float which is important for the liquidity of the RBPlat stock.</p>
<p>Stock of manufactured capital increased through:</p> <ul style="list-style-type: none"> 56 > 8.4% increase in tonnes delivered 57 > Development at Styldrift I aligned with project progress 116 > Mineable reserves available on a sustainable basis 54 > Mining of unprofitable UG2 at BRPM's South shaft suspended 	<p>The completion of the overland conveyor between Styldrift I and the BRPM concentrator during 2018 will provide a more cost-effective method of transporting ore and reduce the wear and tear on local roads.</p> <p>Suspension of South shaft UG2 mining, which resulted in margin enhancement.</p> <p>The acquisition of Maseve will extend the life of the South shaft Merensky and facilitate the ramping up of Styldrift I to 230ktpm.</p>
<ul style="list-style-type: none"> 79 > R2 billion invested in human capital in the form of salaries, wages and benefits and human resource development provided us with a workforce qualified to mine and process our natural capital 73 > Focus on safety leadership skills training 54 > Reduced size of workforce by means of voluntary severance packages (VSPs) and section 189 retrenchments 	<p>While we achieved a reduction in enrolled employee numbers at BRPM of 17.7% through our restructuring process, there was a 71.7% increase in enrolled employees at Styldrift I as a result of the increase in activity at the mine.</p>
<ul style="list-style-type: none"> 95 > Risks and opportunities identified and responded to 86 > Effective corporate governance 86 > Status of ethical culture assessed 74 > Mechanised mining processes at Styldrift I increase safety 74 > SILO safety, health and environment (SHE) risk database system further developed 95 > Ability to view and immediately correct activities in the mine, if necessary, provided by digitalisation 6 > New strategy development process in place 	<p>The proposed purchase of Maseve will provide a number of options for the further development of our operations.</p>
<ul style="list-style-type: none"> 102 > Poverty alleviation 104 > Enhanced community skills and employability of community members 103 > Improved maths and science results 105 > Increased HDSA, and in particular local HDSA, procurement 104 > Enterprise and supplier development programme provided training for local entrepreneurs 	
<ul style="list-style-type: none"> 120 > Impact of our mining activities minimised > Disturbed land rehabilitated 118 > 1% increase in our Merensky mineral reserves ounce content and 2.5% decrease in UG2 mineral reserves ounce content year-on-year 128 > Waste material treated and correctly disposed of 124 > Energy efficiency targets were met at the BRPM concentrator, but not at the mine 127 > Water efficiency targets were met at the concentrator and Styldrift I but not at BRPM 	<p>Knowledge regarding the vulnerability of the area in which we operate to climate change allows us to put in place a strategy and plans to address its future impact on our operations and communities.</p>