# ANNEXURE 5 (A)

## ANALYSIS OF SHARE OPTIONS HELD AS AT 30 JUNE 2015



| | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| **Grant date** | **23 October 2006** | **22 October 2007** | **27 November 2008** | **05 November 2009** | **01 July 2010** | **12 October 2010** | **15 November 2013** | |
| **Earliest exercise date** | **23 October 2008** | **22 October 2009** | **27 November 2010** | **05 November 2011** | **01 July 2012** | **12 October 2012** | | |
| **Expiry date** | **22 October 2013** | **21 October 2014** | **26 November 2015** | **04 November 2016** | **30 June 2017** | **11 October 2017** | | |
| **Exercise price – rands** | **38.45** | **48.00** | **32.38** | **36.95** | **45.59** | **46.59** | **40.00** | |
| **Balance at 30 June 2013** | **1 058 000** | **1 397 500** | **1 237 000** | **2 050 000** | **125 000** | **2 907 500** | **–** | **8 775 000** |
| New options granted during the year | – | – | – | – | – | – | 302 551 | 302 551 |
| Options forfeited/reissued during the year | – | (232 500) | 37 500 | 50 000 | – | (332 500) | (57 035) | (534 535) |
| Options exercised during the year | (1 058 000) | – | (1 114 500) | (1 582 500) | – | – | (67 431) | (3 822 431) |
| **Month** | | | | | | | | |
| July | – | – | – | – | – | – | – | – |
| August | (450 000) | – | (459 500) | (57 500) | – | – | – | (967 000) |
| September | (353 000) | – | (147 500) | (207 500) | – | – | – | (708 000) |
| October | (255 000) | – | – | (50 000) | – | – | – | (305 000) |
| November | – | – | – | – | – | – | – | – |
| December | – | – | – | – | – | – | – | – |
| January | – | – | – | – | – | – | – | – |
| February | – | – | – | (45 000) | – | – | (1 764) | (46 764) |
| March | – | – | – | (22 500) | – | – | (882) | (23 382) |
| April | – | – | – | (55 000) | – | – | – | (55 000) |
| May | – | – | (250 000) | (767 500) | – | – | (39 890) | (1 057 390) |
| June | – | – | (257 500) | (377 500) | – | – | (24 895) | (659 895) |
| Balance at 30 June 2014 | – | 1 165 000 | 160 000 | 517 500 | 125 000 | 2 575 000 | 178 085 | 4 720 585 |
| Options granted during the year | – | – | – | – | – | – | – | – |
| Options forfeited during the year | – | (1 165 000) | – | – | – | (25 000) | (46 648) | (1 236 648) |
| Options exercised during the year | – | – | (90 000) | (137 500) | – | (500 000) | (28 521) | (756 021) |
| **Month** | | | | | | | | |
| July | – | – | – | – | – | – | – | – |
| August | – | – | – | – | – | – | – | – |
| September | – | – | – | – | – | – | – | – |
| October | – | – | – | – | – | – | – | – |
| November | – | – | – | – | – | – | – | – |
| December | – | – | – | – | – | – | – | – |
| January | – | – | – | – | – | – | – | – |
| February | – | – | (45 000) | (90 000) | – | (180 000) | (12 351) | (327 351) |
| March | – | – | – | (22 500) | – | (275 000) | (11 662) | (309 162) |
| April | – | – | (45 000) | – | – | (45 000) | (3 528) | (93 528) |
| May | – | – | – | (25 000) | – | – | (980) | (25 980) |
| June | – | – | – | – | – | – | – | – |
| **Balance at 30 June 2015** | – | – | 70 000 | 380 000 | 125 000 | 2 050 000 | 102 916 | 2 727 916 |
| **Total gain on cash-settled options R000** | – | – | 1 612 | 1 882 | – | 2 224 | 310 | 6 028 |

In March 2013 the JSE approved a change to the rules of the Scheme in terms of which option holders may elect to receive either the shares over which an option has been granted or a cash payment equivalent to the difference between the volume weighted average price at which Northam shares traded on the day preceding the exercise date and the exercise price. Options which are cash settled are regarded as having been exercised. All options exercised during the year were cash-settled.

# ANNEXURE 5 (A) CONTINUED

## ANALYSIS OF SHARE OPTIONS HELD AS AT 30 JUNE 2015

ANNEXURE 5 (A) CONTINUED

| | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| **Grant date** | **23 October 2006** | **22 October 2007** | **27 November 2008** | **05 November 2009** | **01 July 2010** | **12 October 2010** | **15 November 2013** | |
| **Earliest exercise date** | **23 October 2008** | **22 October 2009** | **27 November 2010** | **05 November 2011** | **01 July 2012** | **12 October 2012** | | |
| **Expiry date** | **22 October 2013** | **21 October 2014** | **26 November 2015** | **04 November 2016** | **30 June 2017** | **11 October 2017** | | |
| **Exercise price – rands** | **38.45** | **48.00** | **32.38** | **36.95** | **45.59** | **46.59** | **40.00** | |
| **Details of options granted to directors** | | | | | | | | |
| **PA Dunne** | | | | | | | | |
| Balance at 30 June 2014 | – | – | – | – | – | – | – | – |
| New options granted during the year | – | – | – | – | – | – | – | – |
| **Balance at 30 June 2015** | – | – | – | – | – | – | – | – |
| **AZ Khumalo** | | | | | | | | |
| Balance at 30 June 2013 | – | – | – | – | 125 000 | 125 000 | – | 250 000 |
| New options granted during the year | – | – | – | – | – | – | 9 802 | 9 802 |
| Balance at 30 June 2014 | – | – | – | – | 125 000 | 125 000 | 9 802 | 259 802 |
| New options granted during the year | – | – | – | – | – | – | – | – |
| **Balance at 30 June 2015** | – | – | – | – | 125 000 | 125 000 | 9 802 | 259 802 |

# ANNEXURE 5 (B)

## ANALYSIS OF SHARE INCENTIVES HELD AS AT 30 JUNE 2015

| | 04 November 2014 share award | 15 November 2013 share award | 06 November 2012 share award | 22 November 2011 share award | Total |
|---|---|---|---|---|---|
| **Retention shares** | | | | | |
| Balance at 30 June 2013 | – | – | 904 000 | 608 000 | 1 512 000 |
| Shares awarded during the year | – | 789 000 | – | – | 789 000 |
| Shares forfeited/adjusted for performance conditions met during the year | – | (4 600) | (84 800) | 8 000 | (81 400) |
| Shares cash-settled during the year | – | (87 400) | (108 200) | (558 000) | (753 600) |
| Balance at 30 June 2014 | – | 697 000 | 711 000 | 58 000 | 1 466 000 |
| Shares awarded during the year | 750 500 | – | – | – | 750 500 |
| Shares forfeited/adjusted for performance conditions met during the year | (5 900) | (40 000) | (18 000) | – | (63 900) |
| Shares cash-settled during the year | (26 400) | (30 000) | (693 000) | (58 000) | (807 400) |
| **Balance at 30 June 2015** | 718 200 | 627 000 | – | – | 1 345 200 |
| **Performance shares** | | | | | |
| Balance at 30 June 2013 | – | – | 1 573 000 | 1 113 000 | 2 686 000 |
| Shares awarded during the year | – | 1 375 000 | – | – | 1 375 000 |
| Shares forfeited during the year | – | (9 300) | (134 705) | (8 324) | (152 329) |
| Shares cash-settled during the year | – | (153 700) | (201 295) | (136 676) | (491 671) |
| Balance at 30 June 2014 | – | 1 212 000 | 1 237 000 | 968 000 | 3 417 000 |
| Shares awarded during the year | 2 220 500 | – | – | – | 2 220 500 |
| Shares forfeited/adjusted for performance conditions met during the year | (17 500) | (69 000) | (46 000) | (287 280) | (419 780) |
| Shares cash-settled during the year | (78 200) | (52 000) | (62 000) | (680 720) | (872 920) |
| **Balance at 30 June 2015** | 2 124 800 | 1 091 000 | 1 129 000 | – | 4 344 800 |

### DETAILS OF SHARE INCENTIVES GRANTED TO DIRECTORS

| | 04 November 2014 share award | 15 November 2013 share award | 06 November 2012 share award | 22 November 2011 share award | Total |
|---|---|---|---|---|---|
| **PA Dunne** | | | | | |
| Balance at 30 June 2013 | – | – | – | – | – |
| Retention shares awarded during the year | – | – | – | – | – |
| Performance shares awarded during the year | – | – | – | – | – |
| Shares forfeited/adjusted for performance conditions met during the year | – | – | – | – | – |
| Shares cash-settled during the year | – | – | – | – | – |
| Balance at 30 June 2014 | – | – | – | – | – |
| Retention shares awarded during the year | 37 900 | – | – | – | 37 900 |
| Performance shares awarded during the year | 112 400 | – | – | – | 112 400 |
| Shares forfeited/adjusted for performance conditions met during the year | – | – | – | – | – |
| Shares cash-settled during the year | – | – | – | – | – |
| **Balance at 30 June 2015** | 150 300 | – | – | – | 150 300 |

| | 04 November 2014 share award | 15 November 2013 share award | 06 November 2012 share award | 22 November 2011 share award | Total |
|---|---|---|---|---|---|
| **AZ Khumalo** | | | | | |
| Balance at 30 June 2013 | – | – | 154 000 | 93 000* | 247 000 |
| Retention shares awarded during the year | – | 44 000 | – | – | 44 000 |
| Performance shares awarded during the year | – | 78 000 | – | – | 78 000 |
| Shares forfeited during the year | – | – | – | – | – |
| Balance at 30 June 2014 | – | 122 000 | 154 000 | 93 000 | 369 000 |
| Retention shares awarded during the year | 37 900 | – | – | – | 37 900 |
| Performance shares awarded during the year | 112 400 | – | – | – | 112 400 |
| Shares forfeited/adjusted for performance conditions met during the year | – | – | – | (17 700) | (17 700) |
| Shares cash-settled during the year | – | – | (56 000) | (75 300) | (131 300) |
| **Balance at 30 June 2015** | 150 300 | 122 000 | 98 000 | – | 370 300 |

** Allocated shares from this award have vested and were paid out in December 2014.*

The shares awarded in terms of the rules of the Share Incentive Plan (SIP) comprise: retention shares, which vest after three years from grant date with no performance criteria, and performance shares, which vest after three years from grant date. The final number of performance shares that an employee will receive will be subject to certain performance criteria being met. In November 2014 the JSE and shareholders approved a change to the rules of the SIP in terms of which, from then onwards retention shares also vest after three years.

In March 2013 the JSE approved a change to the rules of the SIP in terms of which, upon the vesting of any awards, participants may elect to receive either the shares that have vested or an amount equal to the volume weighted average price at which Northam shares traded on the day preceding the settlement date.

All awards that had not yet vested but were cash-settled during the year relate to employees who retired.

# ANNEXURE 5 (C)

## SHARE BASED PAYMENT LIABILITY AT 30 JUNE 2015

The carrying amount of the liability relating to the share options scheme and share incentive plan:

| | Group R000 | Company R000 |
|---|---|---|
| Long term share based payment liability | 98 893 | 89 432 |
| Short term share based payment liability | 69 942 | 63 449 |
| **Total share-based payment liability at 30 June 2014** | 168 835 | 152 881 |
| **Net movement of share-based payment liability during the year** | (38 350) | (44 671) |
| Share-based payment expense during the year | 36 037 | 22 994 |
| Options/incentive shares cash-settled during the year | (74 387) | (67 665) |
| **Total share-based payment liability at 30 June 2015** | 130 485 | 108 210 |
| Long term share-based payment liability | 69 466 | 58 236 |
| Short term share-based payment liability | 61 019 | 49 974 |

The short term portion is based on the options/shares which will expire in the next 12 months.

The following table lists the inputs to the model used for the share option scheme for the year ended 30 June 2015:

| | 27 November 2008 | 05 November 2009 | 01 July 2010 | 12 October 2010 |
|---|---|---|---|---|
| Dividend yield (%) | – | – | – | – |
| Expected volatility (%) | 31.71 | 31.71 | 31.71 | 31.71 |
| Risk-free interest rate (%) | 6.13 | 6.68 | 6.96 | 7.06 |
| Expected life of share options (years) | 0.41 | 1.35 | 2.0 | 2.3 |
| Spot price (R) | 40.26 | 40.26 | 40.26 | 40.26 |
| Model used | Market value | Market value | Market value | Market value |

The following table lists the inputs to the model used of the share option scheme for the year ended 30 June 2014:

| | 22 October 2007 | 27 November 2008 | 05 November 2009 | 01 July 2010 | 12 October 2010 |
|---|---|---|---|---|---|
| Dividend yield (%) | – | – | – | – | – |
| Expected volatility (%) | 29.30 | 29.30 | 29.30 | 29.30 | 29.30 |
| Risk-free interest rate (%) | 5.85 | 6.53 | 6.88 | 7.10 | 7.16 |
| Expected life of share options (years) | 0.31 | 1.41 | 2.35 | 3.00 | 3.28 |
| Spot price (R) | 45.5 | 45.5 | 45.5 | 45.50 | 45.50 |
| Model used | Black-Scholes | Black-Scholes | Black-Scholes | Black-Scholes | Black-Scholes |

The following table lists the inputs to the model used for the share incentive plan for the year ended 30 June 2015:

| | 06 November 2012 | | 15 November 2013 | | 04 November 2014 | |
|---|---|---|---|---|---|---|
| | **Retention shares** | **Performance shares** | **Retention shares** | **Performance shares** | **Retention shares** | **Performance shares** |
| Dividend yield (%) | – | – | – | – | – | – |
| Forfeiture rate (%) | – | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| Expected life of share awards (years) | – | 0.35 | 0.38 | 1.38 | 2.35 | 2.35 |
| Spot price (R) | – | 40.26 | 40.26 | 40.26 | 40.26 | 40.26 |
| Model used | Market value | Market value | Market value | Market value | Market value | Market value |

The expected life is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options/incentive shares is indicative of future trends, which may not necessarily be the actual outcome.

The following table lists the inputs to the model used of the share incentive plan for the year ended 30 June 2014:

| | 22 November 2011 | | 06 November 2012 | | 15 November 2013 | |
|---|---|---|---|---|---|---|
| | **Retention shares** | **Performance shares** | **Retention shares** | **Performance shares** | **Retention shares** | **Performance shares** |
| Dividend yield (%) | – | – | – | – | – | – |
| Forfeiture rate (%) | – | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| Expected life of share options (years) | – | 0.40 | 0.35 | 1.35 | 1.38 | 2.38 |
| Spot price (R) | 45.5 | 45.5 | 45.5 | 45.50 | 45.50 | 45.50 |
| Model used | Black-Scholes | Black-Scholes | Black-Scholes | Black-Scholes | Black-Scholes | Black-Scholes |

The expected life is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the operations/incentive shares is indicative of the future trends, which may not necessarily be the actual outcome.