

**NORTHAM PLATINUM CONCLUDES FULLY-FUNDED R6.6 BILLION BEE
EQUITY TRANSACTION**

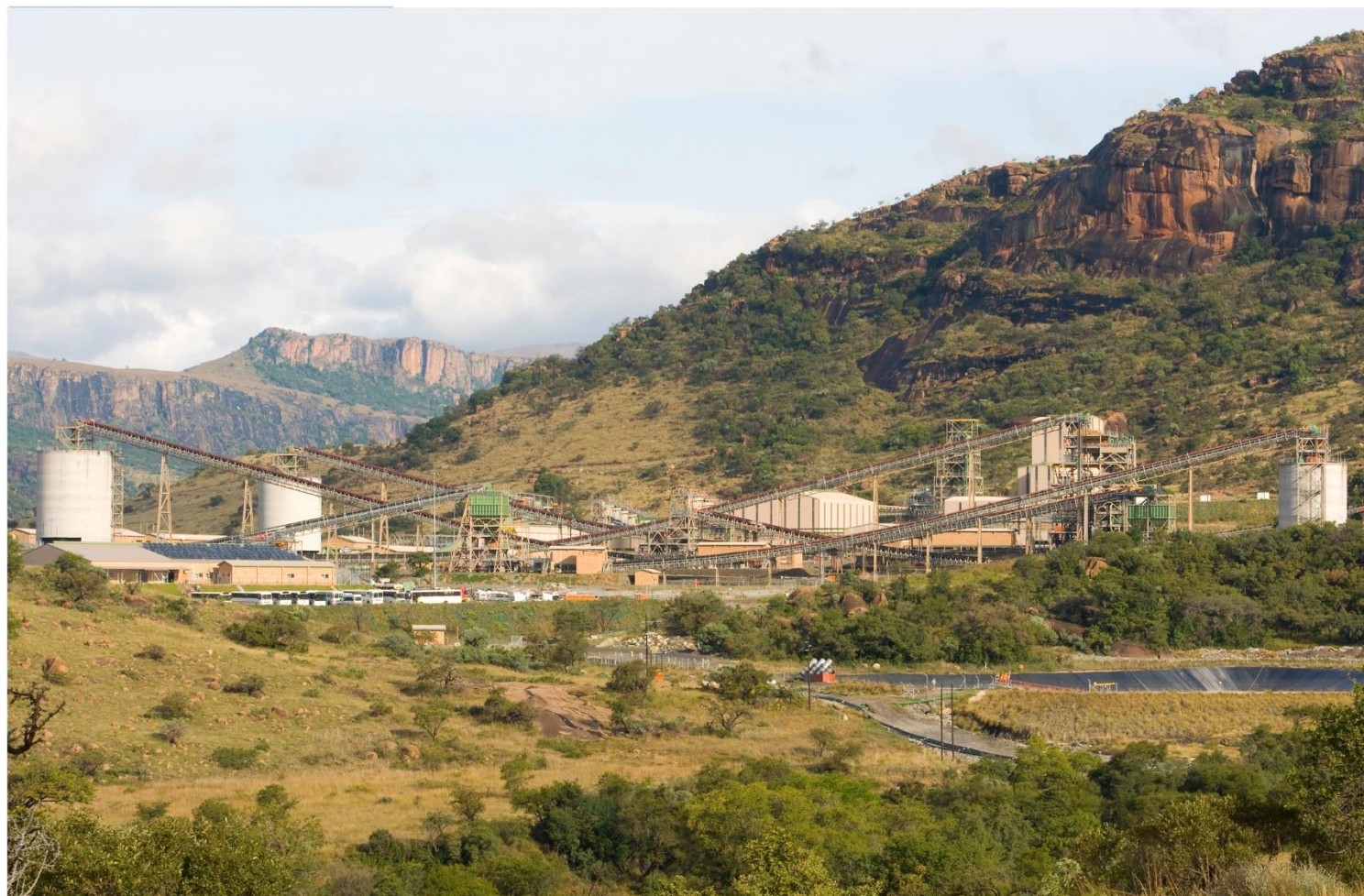
*Transaction secures HDSA ownership for at least a decade, and facilitates
Northam's ability to grow with R4.0 billion cash injection*

Landmark BEE *and* fund-raising transaction

NORTHAM
P L A T I N U M L I M I T E D

Paul Dunne
Chief executive officer
22 October 2014

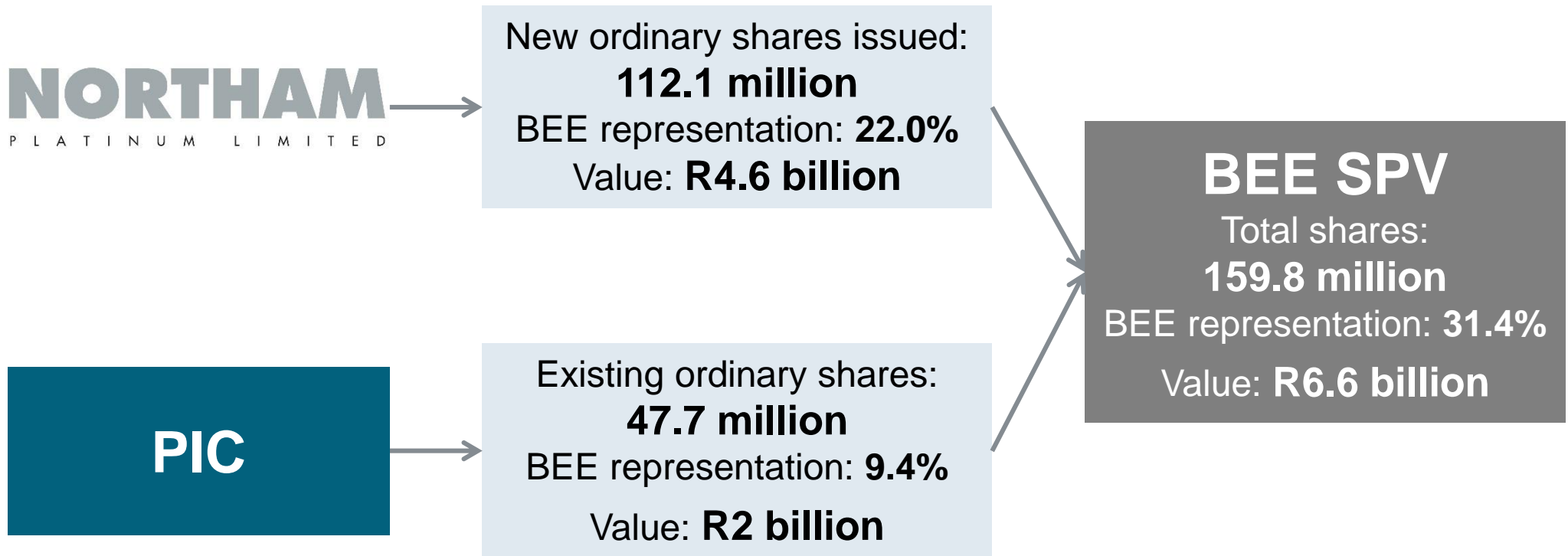
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Key features of the BEE transaction

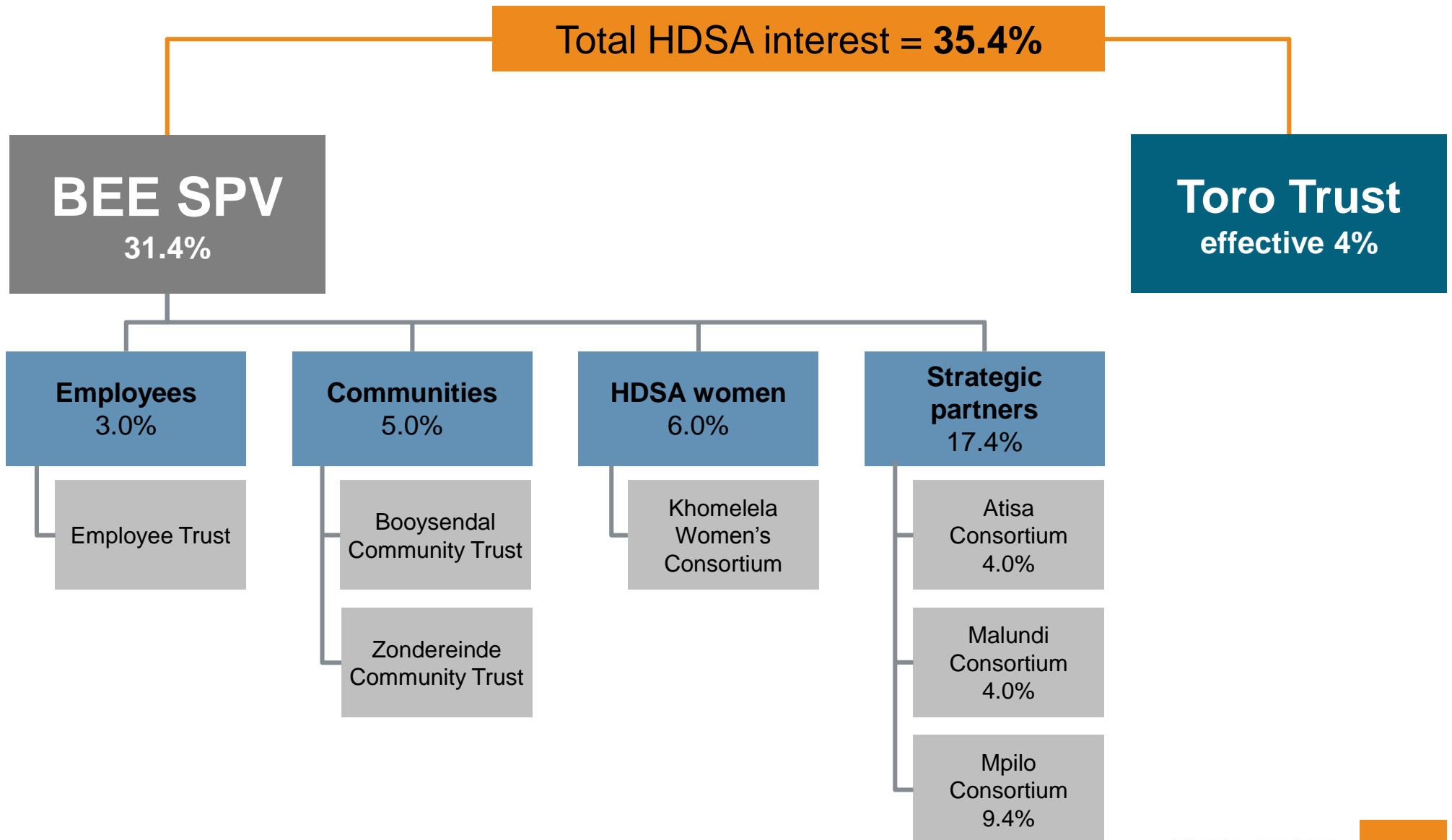
- Landmark R6.6 billion BEE equity transaction
- Effective net 35.4% HDSA ownership (including the Toro Trust)
- R4 billion net cash injection to fund growth aspirations
- Current value and growth potential supported by anchor shareholders, PIC and Coronation Asset Management
- 10-year security of HDSA ownership, ensuring Mining Charter compliance
- Transaction supported by the DMR
- 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
 - all Northam shareholders will have the right to participate on a *pro rata* basis

Structure of the transaction



Shares issued sold at R41 per share

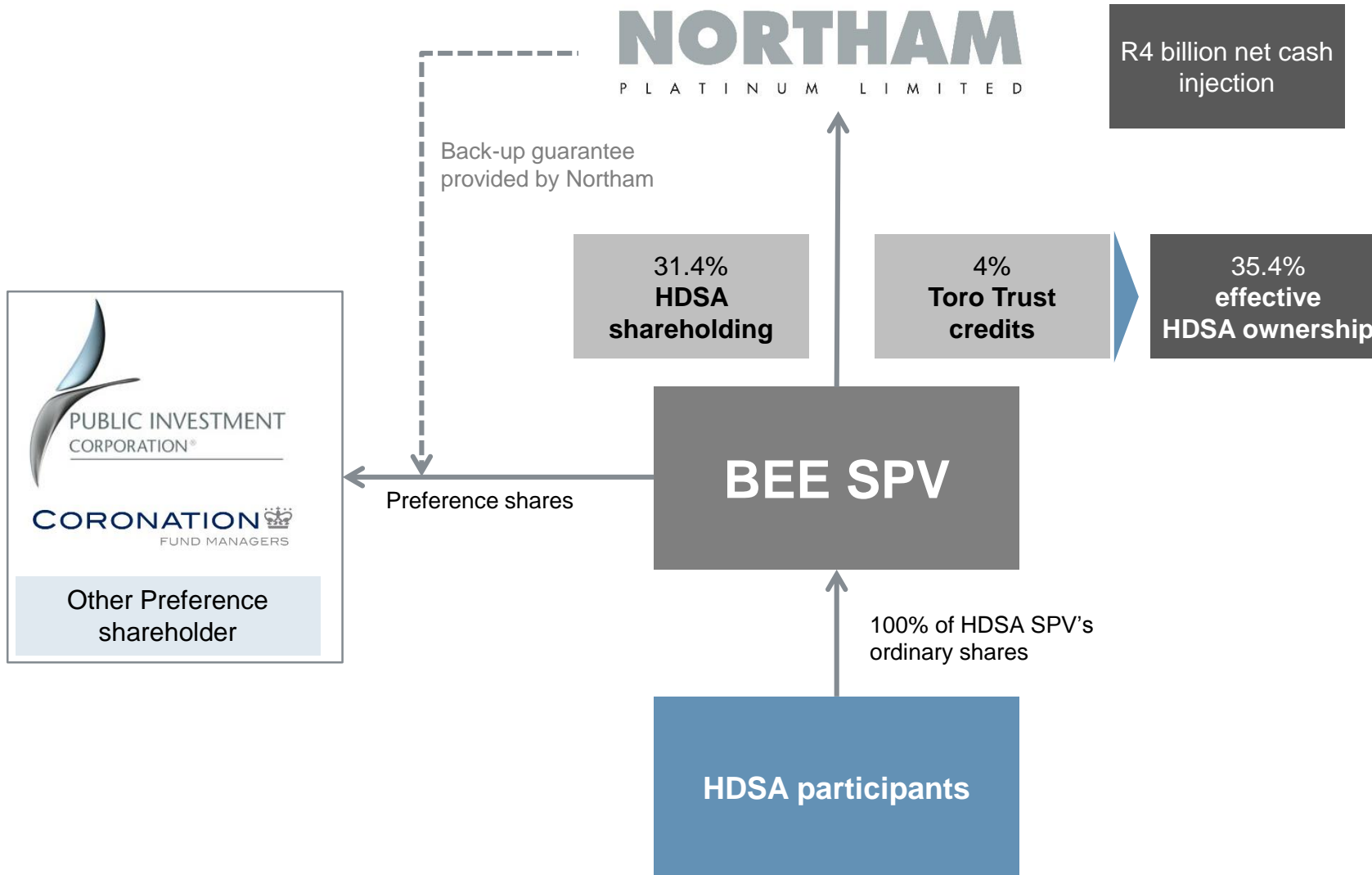
Structure of the transaction



BEE structure

1	Mining Charter compliance	✓
2	10-year lock-in	✓
3	R400 million immediate value distribution to BEE SPV	✓
4	Broad-based value transfer <ul style="list-style-type: none">• employees• communities• strategic HDSA partners	✓
5	Fully-funded <ul style="list-style-type: none">• supported by existing shareholders	✓

Final structure



Salient transaction terms

New issue	
New NHM shares issued	112 195 122 – 22% of NHM's enlarged share capital in issue
Issue price	R41 per NHM share
Lock-in payment	R400m payable to the HDSA participants
PIC contribution	
NHM shares acquired	47 710 331 – 9.4% of NHM's enlarged share capital in issue
Acquisition price	R41 per NHM share settled through the issue of preference shares
Preference share terms	
Coupon (NACA)	Floating at 3.5% above the prime rate (i.e. currently 12.75%) – classified as a dividend for income tax purposes
Aggregate value	Equal to the subscription price paid to NHM (which includes the lock-in payment) R41 per share
Term	10 years with no allowance for early redemption unless a change of control occurs
Repayment	<ul style="list-style-type: none"> • 10-year bullet, with 90% of dividends received by HDSA SPV being paid to preference shareholders as and when received • Settled with cash or NHM shares (valued at 10% discount to VWAP) – at HDSA SPV's election
Secured by	NHM shares held by BEE SPV (subscription shares and PIC shares) and back-up guarantee
Back-up guarantee	<ul style="list-style-type: none"> • NHM guarantees any shortfall (i.e. the difference between the amount payable to preference shareholders and the value of the NHM shares held by HDSA SPV) • Settled with cash or NHM shares (valued at 10% discount to VWAP) – at NHM's election
Liquidity fee	2.5% of the value of the underwriters preference shares issued

Key figures

Description	Value
Number of NHM shares subscribed for by BEE SPV (22% of NHM, post issue)	112 195 122
Number of NHM shares acquired by BEE SPV from PIC	47 710 331
Total number of NHM shares acquired by BEE SPV	159 905 453
Subscription/acquisition price per NHM share	R41.00
Aggregate value of preference shares issued by BEE SPV	R6 556 123 573
Net cash received by NHM*	R4 036 096 913
Liquidity fee paid: 2.5% of aggregate value of preference shares issued	R163 903 089
Lock-in payment	R400 000 000

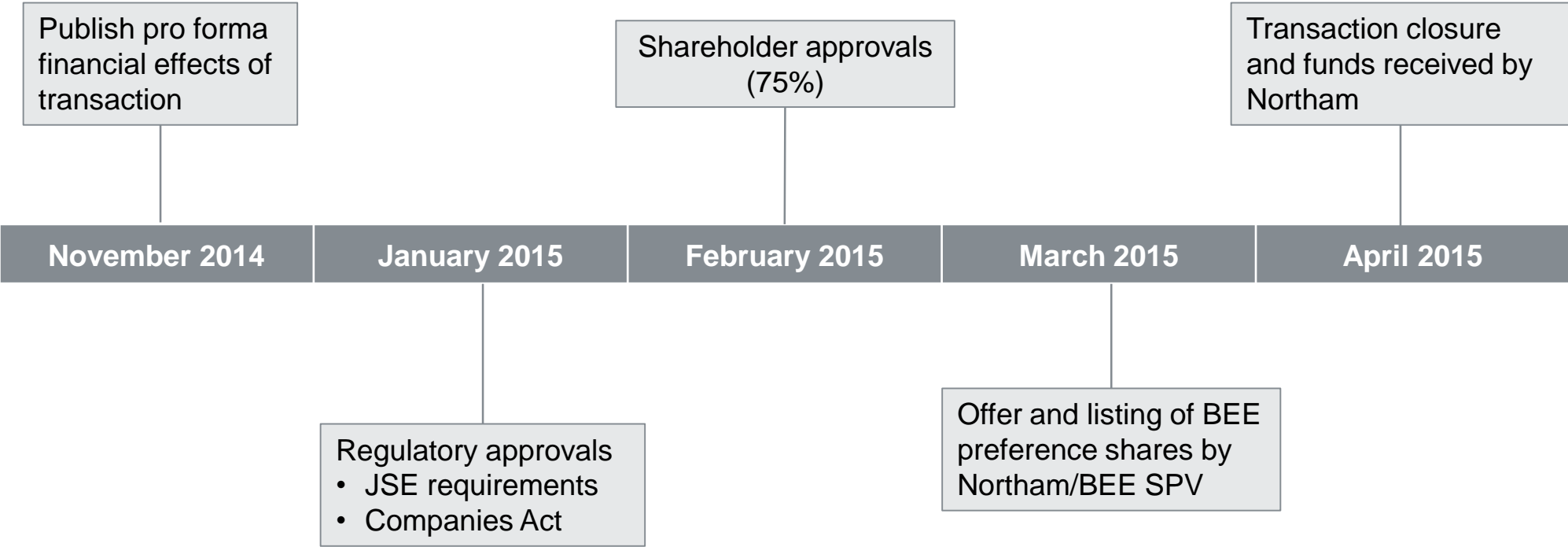
R4.6 billion

*Calculated using cash received after deducting lock-in payment and liquidity fee

BEE transaction outcomes

- Ensure fair treatment of current shareholders through a transaction that is:
 - value-accretive
 - relatively risk-free
 - sustainable
 - inclusive – all shareholders have the opportunity to participate in equity raising
- Achieve meaningful, broad-based empowerment
 - employee and community participation
 - active participation of HDSA shareholders
- Raise capital to fund growth ambitions

Next steps



Conclusion – positioned for growth

- Landmark transaction
- A foundation has been established:
 - powerful balance sheet
 - substantial and meaningful empowerment participation
- Well-positioned, fully-empowered South African mine-to-market PGM producer

Northam concludes a fully funded **R6.6 billion** 10-year secured BEE transaction with a fully funded **R4.6 billion** capital raising