

**ATLATSA ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED  
SEPTEMBER 30, 2017**

**November 14, 2017**, Atlatsa Resources Corporation (“**Atlatsa**” or the “**Company**”) (TSX: ATL; JSE: ATL) announces its operating and financial results for the three and nine months ended September 30, 2017. This release should be read together with the Company’s unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2017 (the “**Consolidated Financial Statements**”) and the related Management’s Discussion and Analysis of Financial Condition and Results of Operations (the “**MD&A**”) filed on <http://www.sedar.com>, which are also available at [www.atlatsa.com](http://www.atlatsa.com). Currency values are presented in South African Rand (ZAR), Canadian Dollars (\$) and United States Dollars (US\$).

**The 2017 Restructure Plan**

On July 21, 2017 the Company announced that it had entered into an agreement (“**Agreement**”) with Rustenburg Platinum Mines Limited (“**RPM**”), a subsidiary of Anglo American Platinum Limited, outlining key terms agreed in relation to a two-phased restructure plan (collectively, the “**2017 Restructure Plan**”), comprising:

- a care and maintenance strategy for Bokoni Mine; and
- a financial restructure plan for Atlatsa and its subsidiaries (“**Atlatsa Group**”).

The salient terms of this Agreement are as follows:

**Bokoni Mine care and maintenance:**

- Atlatsa was to place the Bokoni Mine on care and maintenance;
- RPM to fund all costs associated with the care and maintenance process (“**Care and Maintenance Funding**”) from August 1, 2017 up until December 31, 2019 (“**Care and Maintenance Period**”); and
- RPM to suspend the servicing and repayment of all the current and future debt owing by Atlatsa Group to RPM until December 31, 2019 (“**Debt Standstill**”).

**Financial restructure of Atlatsa:**

- RPM will acquire and include into its adjacent Northern Limb mining rights the resources specified in Atlatsa’s Kwanda North and Central Block prospecting rights, for a cash consideration of \$27.7 million (ZAR300 million) (“**Asset Disposal**”).
- Subject to implementation of the Asset Disposal, RPM will write off all debt owing by Atlatsa Group to RPM, including debt incurred during the Care and Maintenance Period (“**Debt Write Off**”).

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On behalf of Atlatsa Resources

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- Atlatsa and RPM will retain their 51% and 49% respective shareholdings in the Bokoni joint venture.

## **Implementation of the 2017 Restructure Plan**

### **Bokoni Mine care and maintenance**

During September 2017 Bokoni Mine, together with the registered trade unions, NUM, TAWUSA and UASA, concluded a facilitated consultation process in terms of section 189A of the South African Labour Relations Act, No. 66 of 1995. The Bokoni Mine operations were placed on care and maintenance with effect from October 1, 2017.

During the Care and Maintenance Period Atlatsa and RPM will review various alternatives in respect of Bokoni Mine's future sustainability and, depending on future circumstances, reconsider its care and maintenance status.

### **Care and Maintenance Funding and Debt Standstill**

RPM has agreed to fund all one-off costs associated with placing Bokoni Mine on care and maintenance, as well as ongoing care and maintenance costs, up until December 31, 2019. As a consequence, Atlatsa will also restructure itself to reduce its corporate head office and associated overhead costs. ("**Atlatsa Corporate Restructure**").

On October 12, 2017, the Atlatsa Group entered into a Care and Maintenance Term Loan Facility Agreement with RPM in terms of which RPM has, subject to an agreed budget and approval process, made available to the Atlatsa Group a loan facility in an amount of \$48.1 million (ZAR521 million) for the duration of the Care and Maintenance Period for the Atlatsa Group to fund its *pro rata* (51%) share of care and maintenance costs at Bokoni Mine and the Atlatsa Corporate Restructure costs.

RPM has agreed to suspend servicing and repayment of all current and future debt incurred by the Atlatsa Group and owing to RPM and its related entities until December 31, 2019 ("**Debt Standstill Period**"). Upon implementation of the Asset Disposal all debt incurred during the Debt Standstill Period will be written off, in accordance with the Debt Write Off.

### **Debt Write Off conditional on Asset Disposal**

Atlatsa does not have short term plans to develop the resources at its Central Block and Kwanda North prospecting rights prior to their expiry in 2019. These prospecting rights border the north of RPM's Northern Limb operations. The incorporation of these prospecting rights into RPM's operations will increase the probability of their development, which could lead to potential future mining and employment opportunities, contributing to the regional and national South African economy.

As stated above, the Agreement provides for both the Asset Disposal and the Debt Write Off. Atlatsa and RPM continue to work towards this. Implementation of such transactions remain subject to completion of definitive transaction agreements, all required regulatory approvals and all required corporate approvals, including the approval of Atlatsa shareholders.

Should the Asset Disposal be implemented, RPM will, *inter alia*, implement the Debt Write Off, which will reduce the Atlatsa Group's debt owing to RPM to zero.

## Operational and Financial Results for Q3 2017

### Impairment of assets

Due to impairment indicators that existed at June 30, 2017, September 30, 2017 and Bokoni Mine being placed on care and maintenance subsequent to the reporting date, the Company assessed the carrying value of its assets for impairment and recognised an impairment loss of \$180.9 million with respect to property, plant and equipment and capital work in progress for fiscal 2017.

### Bokoni Mine operating and financial performance

Set out below are summaries of the key operating and financial results for Bokoni Mine for the three months ended September 30, 2017.

Operating results		Q3 2017	Q3 2016	% change
Tonnes delivered	t	253,115	368,266	(31.3%)
Tonnes milled	t	263,737	363,320	(27.4%)
Recovered grade	g/t milled, PGM	3.7	3.8	(2.6%)
PGM oz produced	oz	31,427	44,463	(29.3%)
Primary development	metres	1,402	1,508	(7.0%)
Re-development	metres	2,030	2,290	(11.4%)
Capital expenditure	\$m	9.4	8.9	(5.6%)
Operating cost/tonne milled	ZAR/t	1,706	1,449	(17.7%)
Operating cost/PGM oz	ZAR/PGM oz	14,318	11,839	(20.9%)
Lost-time injury frequency rate ("LTIFR")	Per 200,000 hours worked	0.75	0.99	24.2%

Expressed in Canadian Dollars (000's)	Q3 2017	Q3 2016	% change
Revenue	32,183	48,877	(34.2%)
Cash operating costs	(42,993)	(48,178)	10.8%
Cash operating loss	(10,810)	699	nm
Cash operating margin (%)	(33.6%)	1.40%	nm
Earnings/Loss before interest, taxation, depreciation and amortisation ("EBITDA") *	(52,274)	(2,475)	nm
Loss for the period	(72,267)	(11,396)	(534.1%)

\* EBITDA means earnings before net finance costs, income tax, depreciation and amortisation. EBITDA is not a recognised measure under International Financial Reporting Standards ("IFRS") and should not be construed as an alternative to net earnings or loss determined in accordance with IFRS as an indicator of the financial performance of Atlatsa or as a measure of Atlatsa's liquidity and cash flows. While EBITDA is a useful supplemental measure of cash flow prior to debt service, changes in working capital, capital expenditures and taxes, Atlatsa's method of calculating EBITDA may differ from other issuers and, accordingly, EBITDA may not be comparable to similar measures presented by other issuers. See the section entitled "Segment Information" of the Consolidated Financial Statements for a reconciliation of EBITDA to net income / (loss).

*“nm” means non-meaningful*

### **Safety and health**

Bokoni Mine's LTIFR in Q3 2017 of 0.75 has improved by 24.2% compared to the Q3 2016 LTIFR of 0.99. During Q3 2017 two Section 54 stoppages were imposed by the Department Mineral Resources in terms of the Mine Health and Safety Act No. 29 of 1996, compared to one stoppage in Q3 2016.

### **Operational results**

Tonnes delivered at Bokoni Mine decreased by 31.3% quarter-on-quarter to 253,115 tonnes and PGM ounces produced decreased to 31,427 4E PGM ounces compared to 44,463 4E PGM ounces produced during Q3 2016.

Primary development decreased by 7.0% quarter-on-quarter to 1,402 metres and re-development by 11.4% to 2,030 metres.

Recoveries at the concentrator plant remained consistent at 90.2% for the Merensky concentrate and decreased by 0.3% to 86.8% for the UG2 concentrate respectively.

All the Bokoni Mine operations were placed on care and maintenance with effect from October 1, 2017.

### **Financial results**

Revenue decreased by 34.2% quarter-on-quarter to \$32.2 million due to a 8.9% decrease in the ZAR PGM basket price (ZAR10,869 in Q3 2017 compared to ZAR11,927 in Q3 2016), a decrease of 29.3% in 4E ounces produced well as a 7.0% strengthening in the ZAR/US\$ exchange rate.

Total cash operating costs were 12.3% lower than in Q3 2016.

Costs per tonne milled for Q3 2017 increased to \$169 (ZAR1,706) from \$128 (ZAR1,449) in Q3 2016 with costs per 4E ounce increasing to \$1,419 (ZAR14,318) from \$1,048 (ZAR11,839) in Q3 2016.

Total capital expenditure for Q3 2017 was \$9.4 million, compared to \$8.9 million for Q3 2016, comprising 33% sustaining capital and 67% project expansion capital.

Expressed in Canadian Dollars (000's)	Q3 2017	Q3 2016	% change
Revenue	32,183	48,877	(34.2%)
Cost of sales	(50,158)	(54,002)	7.1%
Gross loss	(17,976)	(5,125)	(250.8%)
General, administrative and other expenses	(3,343)	(1,969)	(69.8%)
Impairment	(4,752)	-	nm
Restructuring costs	(33,372)	(1,209)	nm
Other income	3	4	(25.0%)
Operating (loss)	(59,439)	(8,299)	(616.2%)
Net finance costs	(12,762)	(7,954)	(60.4%)
Income tax	(65)	4,857	(101.3%)
(Loss) for the period	(72,267)	(11,396)	(534.1%)
(Loss) attributable to Atlatsa shareholders	(42,703)	(7,186)	(494.3%)
Basic (loss) per share – cents	(0.08)	(0.01)	(700.0%)
Headline loss per share – cents*	(0.07)	(0.01)	(600.0%)

\* *Headline loss per share is not a recognised measure under IFRS and should not be construed as an alternative to basic earnings or loss determined in accordance with IFRS as an indicator of the financial performance of Atlatsa. It is an additional earnings number used as a way of dividing the IFRS reported profit between re-measurements that are more closely aligned to the operating / trading activities of the entity, and the platform used to create those results. The starting point is basic earnings excluding “separately identifiable re-measurements” (as defined in Circular 2/2015 issued by the South African Institute of Chartered Accountants), net of related tax (both current and deferred) and related non-controlling interest other than re-measurements specifically included in headline earnings (“included re-measurements”, as defined). Please refer to the Consolidated Financial Statements for a detailed reconciliation between the headline loss per share and the earnings used in the calculation.*

### **(Loss) / profit per share**

The basic and diluted loss per share was (\$0.08) for Q3 2017 compared to (\$0.01) in Q3 2016. The basic and diluted loss per share is based on the loss attributable to the shareholders of the Company of (\$42.7 million) compared to (\$7.2 million) in Q3 2016.

The basic and diluted headline loss per share was (\$0.07) for Q3 2017 compared to (\$0.01) in Q3 2016. The basic and diluted headline loss per share is based on the headline loss attributable to the shareholders of the Company of (\$40.1 million) compared to (\$7.2 million) for Q3 2016.

### **Issued share capital**

As at September 30, 2017 Atlatsa had 554,421,806 issued and outstanding common shares.

## **Queries:**

### **On behalf of Atlatsa**

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### **Corporate Advisor and JSE Sponsor to Atlatsa:**

One Capital

### **Cautionary note regarding forward-looking information**

This document contains “forward-looking statements” within the meaning of the applicable Canadian securities laws that are based on Atlatsa’s expectations, estimates and projections as of the dates as of which those statements are made, including statements relating to anticipated financial or operational performance. Generally, these forward-looking statements can be identified by the use of forward-looking terminology including without limitation, statements relating to potential acquisitions and/or disposals, future production, reserve potential, exploration drilling, exploitation activities and events or developments that Atlatsa expects such statements appear in a number of different places in this document and can be identified by words such as “anticipate”, “estimate”, “project”, “expect”, “intend”, “believe”, “plan”, “forecasts”, “predicts”, “schedule”, “forecast”, “predict”, “will”, “could”, “may”, or their negatives or other comparable words. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Atlatsa’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Atlatsa believes that such forward-looking statements are based on material factors and reasonable assumptions, including the following assumptions: placing the Bokoni Mine on care and maintenance; safe guarding of all assets and the maintenance of major equipment; implementing the Letter Agreement and Debt Standstill as contemplated in the 2017 Restructure Plan and meeting the conditions precedent of the 2017 Restructure Plan. Forward-looking statements, however, are not guarantees of future performance and actual results or developments may differ materially from those projected in forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include: uncertainties related to placing the Bokoni Mine on care and maintenance; uncertainties related to the implementation of the 2017 Restructure Plan; uncertainties related to meeting the conditions precedent in regards to the 2017 Restructure Plan; changes in and the effect of government policies with respect to mining and natural resource exploration and exploitation; continued availability of capital and financing; general economic, market or business conditions; failure of plant, equipment or processes to maintain the Bokoni Mine on care and maintenance; labour disputes, industrial unrest and strikes; political instability; suspension of operations and damage to mining property as a result of community unrest and safety incidents; insurrection or war; the effect of HIV/AIDS on labour force availability and turnover; delays in obtaining government approvals; and the Company’s ability to satisfy the terms and conditions of the loans and borrowings, as described under “Going Concern” in Note 2 of the condensed consolidated interim financial statements for Q3 2017. These factors and other risk factors that could cause actual results to differ materially from those in forward-looking statements are described in further detail under “Description of Business - Risk Factors” in Atlatsa’s Annual Information Form for Fiscal 2016, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Atlatsa advises investors that these cautionary remarks expressly qualify in their entirety all forward-looking statements attributable to Atlatsa or persons acting on its behalf. Atlatsa assumes no obligation to update its forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such statements, except as required by law. Investors should carefully review the cautionary notes and risk factors contained in this document and other documents that Atlatsa files from time to time with, or furnishes to; Canadian securities regulators and which are available on SEDAR at [www.sedar.com](http://www.sedar.com).