

NEWS RELEASE

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"Fuel cells can keep the lights on in rural South Africa" – Professor Ben Turok speaking at an Anglo American Platinum workshop

Speaking at the recent stakeholder engagement workshop hosted by Anglo American Platinum Limited ("Anglo American Platinum" or the "Company"), Ballard and the Institute for African Alternatives, the director of the Institute for African Alternatives, Professor Ben Turok, highlighted the gap that exists in the market to power rural communities. He believes that innovative projects such as the fuel cell mini-grid system, would alleviate pressure on the national grid and can deliver social, political and economic benefits for the country.

Turok said, "The window of opportunity for fuel cells as an alternative technology for South Africa is now – grid capacity constraints, rising costs and long lead times for electrifying deep rural areas make non-grid fuel cell technology ideal. Over and above socio-economic benefits of access to power for rural upliftment, establishment of a local fuel cell industry develops new skills and creates jobs, in line with objectives of the National Development Plan."

Professor Turok further reiterated that to progress this existing opportunity for South Africa, commitment to public procurement of fuel cells for rural electrification is critical. "The fuel cell mini grid offers significant advantages in low to medium density communities between 50 and 200 homes which are more than 22km away from existing grid."

It is estimated that over 3 million households in South Africa have no access to electricity, of which over 1 million are in rural areas. Approximately 500 000 of these rural households are in remote, difficult terrain where extending existing grid transmission comes at a significant cost. Government has made great strides in connecting millions of households to the national energy grid, however the fact remains that South Africa is facing mounting pressure on the national electricity grid.

Anglo American Platinum, in partnership with Ballard Power Systems is developing a next generation fuel cell product which forms the core of a power system that is capable of supplying 230V AC electricity through a mini-grid to households. The system is suitable for charging electronic devices, TV, radio, lighting, refrigeration and cooking.

The fuel cell mini-grid technology is an economically competitive alternative to extending grid transmission lines for rural communities far away from the existing grid. The system is powered

by liquid methanol fuel. Fuel cells are electrochemical devices that convert fuel into electricity and water, facilitated by platinum. Fuel cells have the potential to increase the demand for platinum.

The fuel cell mini-grid technology provides an opportunity to electrify rural communities at a faster pace than through the extending grid, and is expected to be cost competitive to diesel generators and PV mini grid systems for rural communities.

In August 2014, Anglo American Platinum and fuel cell manufacturer Ballard Power Systems, launched a fuel cell mini-grid field trial at the Naledi Trust Community in Kroonstad, South Africa, which continues to power up a total of 34 households through the fuel cell system.

"The development and commercialisation of platinum-based fuel cell technology is also aimed at increasing the demand for platinum mined in South Africa, ensuring sustainable markets for the country's metals," said Kleantha Pillay, Anglo American Platinum's Head of Market Development.

Pillay further added that the deployment of fuel cell systems in South Africa can contribute not only to rural development and social upliftment, but also to the creation of a local fuel cell value chain and jobs.

Access to electricity has a profoundly positive social and economic impact in rural communities in South Africa. This eliminates the need for these communities to rely on hazardous materials such as paraffin and wood for cooking and heating.

The fuel cell mini-grids can expand for an increasing energy demand and full-time power availability since power is produced whenever needed. Mini-grid infrastructure could be leveraged for subsequent grid connection in future.

Turok added, "There is a clear indication that there is scope for the development of fuel cell technologies to electrify rural households. With the grid connection costs as high as they are, the difficult terrain encountered in deep rural areas and the relatively low energy consumption per household, grid extensions are prohibitively expensive for these communities."

Fuel cell mini-grid technology is an attractive alternative. The opportunity to deploy this cost effective off-grid solution to electrify households, which contributes to rural development, social and political goals, will however be missed without commitment from the Department of Energy.

Speaking at the workshop, Ballard's Vice President of Business Development, Karim Kassam, said, "Our participation at this event clearly demonstrates Ballard's commitment to the advancement of fuel cell commercialization in South Africa. It has been an honour to speak alongside Professor Turok, and we look forward to progressing the rural electrification program in South Africa, in partnership with Anglo American Platinum."

The local deployment of fuel cell technology will enable the establishment of a new manufacturing industry creating a new technology sector in the country, supporting beneficiation, providing an opportunity for export of value-added product into other emerging markets and driving additional demand for platinum. The creation of a fuel cell value chain creates jobs in power system manufacturing and installation, methanol fuel supply, operation and maintenance.

The Naledi Trust Community is a perfect example of how fuel cell technology can benefit rural communities. The access to fuel cell electricity can provide a number of benefits to an indigent rural community, namely a scalable solution that can be right-sized, a clean, fuel efficient solution, no reliance on sun or wind for power and reduced safety hazards associated with using wood/paraffin for cooking. For other communities the power can be available to pump water for irrigation of agricultural land, power to refrigerate vaccines and provide essential health services at local clinics, and electricity at schools to enable improved teaching methods.

Anglo American Platinum believes that the deployment of fuel cells for rural electrification will help meet the Department of Energy's strategic objectives of promoting/enhancing universal access to energy, development and improvement of energy generation and mainstreaming, upliftment & empowerment of disadvantaged & vulnerable groups.

The next step is for the country to develop a procurement strategy and to recognise how the implementation of this technology can lead to the establishment of desired outcomes of rural electrification, manufacturing, beneficiation and job creation.

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About Anglo American Platinum

Anglo American Platinum Limited is a member of the Anglo American plc Group and is the world's leading primary producer of platinum group metals. The company is listed on the Johannesburg Securities Exchange (JSE). Its mining, smelting and refining operations are based in South Africa. Elsewhere in the world, the Group owns Unki Platinum Mine in Zimbabwe and is actively exploring in Brazil. Anglo American Platinum has a number of joint ventures with several historically disadvantaged South African consortia as part of its commitment to the transformation of the mining industry. Anglo American Platinum is committed to the highest standards of safety and continues to make meaningful and sustainable difference in the development of the communities around its operations.

www.angloamericanplatinum.com

Anglo American is a global and diversified mining business that provides the raw materials essential for economic development and modern life. Our people are at the heart of our business. It is our people who use the latest technologies to find new resources, plan and build our mines and who mine, process and move and market our products – from bulk commodities and base metals to precious metals and diamonds (through De Beers) – to our customers around the world. Our diversified portfolio of products spans the economic development cycle and, as a responsible miner, we are the custodians of precious resources. We work together with our key partners and stakeholders to unlock the long-term value that those resources represent for our shareholders, but also for the communities and countries in which we operate – creating sustainable value and making a real difference. Our mining operations, growth projects and exploration and marketing activities extend across southern Africa, South America, Australia, North America, Asia and Europe.

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About Ballard Power Systems

[Ballard Power Systems (NASDAQ: BLDP; TSX: BLD) provides clean energy products that reduce customer costs and risks, and helps customers solve difficult technical and business challenges in their fuel cell programs. To learn more about Ballard, please visit www.ballard.com.

To date Ballard has designed and shipped over 215 MW of hydrogen fuel cell products. The Company has a growth strategy built on two platforms: Power Products and Technology Solutions.]