

Key features for the third quarter of 2016:

- Restructure and right sizing plan at Bokoni Mine completed
- Improved safety performance achieved at Bokoni Mine
- Improved operational efficiencies achieved at Bokoni Mine
- Re-arrangement of term loan facilities with Anglo Platinum
- Cash operating profit at Bokoni Mine achieved for the quarter, whilst basic loss per share for the Company reduced quarter-on-quarter

JOHANNESBURG, Nov. 14, 2016 /CNW/ - [Atlatsa Resources Corp.](#) ("Atlatsa" or the "Company") (TSX: ATL; JSE: ATL) announces its operating and financial results for the three and nine months ended September 30, 2016. 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, 2016 (the "Consolidated Financial Statements") and the related Management's Discussion and Analysis of Financial Condition and Results of Operations filed on [www.sedar.com](#), which are also available at [www.atlatsaresources.co.za](#). Currency values are presented in South African Rands (ZAR), Canadian Dollars (\$) and United States Dollars (US\$).

Harold Motaung, Chief Executive Officer of Atlatsa, commented, "We are pleased to have completed the major phase of our restructure and right sizing plan at Bokoni Mine without any significant disruptions at our operations. All stakeholders should be complimented as to the manner and approach adopted during this challenging period. We have begun to see certain operational and safety performance improvements stemming from the Restructure Plan, and the emphasis at the mine will continue to focus on costs, efficiencies and overall operational improvements going forward, whilst seeking to maintain momentum in development at our two remaining Middelpunt Hill UG2 and Brakfontein Merensky underground development shafts, which remain in their ramp-up phases through to 2018 and 2020 respectively."

Bokoni Mine's operational and financial results, when compared on a quarterly basis, should be viewed having regard to the significant change in the nature and scope of the operations resulting from the implementation of an operational and financial restructure plan ("Restructure Plan") during the past 12 months through to September 30, 2016.

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, 2016.

Operating results		Q3 2016	Q3 2015	% change
Tonnes milled	t	363 320	482 150	(24.6)
Tonnes delivered	t	368 266	506 034	(27.2)
Recovered grade	g/t milled, PGM*	3.8	3.6	5.6
PGM* oz produced	oz	44 463	55 491	(19.9)
Primary development	metres	1 508	2 362	(36.2)
Capital expenditure	\$m	8.9	8.3	(7.2)
Operating cost/tonne milled	ZAR/t	1 449	1 236	(17.2)
Operating cost/PGM* oz	ZAR/PGM* oz	11 839	10 741	(10.2)
Lost-time injury frequency rate ("LTIFR")	per 200,000 hours worked	0.99	1.56	36.5

* PGM means platinum group metals ("4E"), comprising platinum, palladium, rhodium and gold.

Financial summary			
Expressed in Canadian Dollars (000's)	Q3 2016	Q3 2015	% change
Revenue	48 877	57 208	(14.6)
Cash operating costs	48 178	59 415	18.9
Cash operating profit /(loss)	699	(2 207)	131.7
Cash operating margin	1.4%	(3.9%)	135.9
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")*	(2 475)	(26 607)	90.7
(Loss) for the period	(11 396)	(37 376)	69.5
(Loss) attributable to Atlatsa shareholders	(7 186)	(21 452)	66.5
Basic and diluted loss per share – cents	(1)	(4)	75.0

*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).

Expressed in Canadian Dollars (000's)	Q3 2016	Q3 2015	% change
Revenue	48 877	57 208	(14.6)
Cost of sales	(54 002)	(65 037)	17.0
Gross loss	(5 125)	(7 829)	34.5
General, administrative and other expenses	(3 277)	(24 255)	86.5
Fair value adjustments on loans	104	(145)	171.7
Operating loss	(8 299)	(32 229)	74.2
Net finance costs	(7 954)	(6 143)	(29.5)
Income tax	4 857	996	(387.7)
Profit / (loss) for the period	(11 396)	(37 376)	69.5
Profit / (loss) attributable to Atlatsa shareholders	(7 186)	(21 452)	66.5
Basic loss per share - cents	(1)	(4)	75.0

Safety and health

Bokoni Mine's LTIFR was 0.99 per 200,000 hours worked during the quarter compared to 1.56 in Q3 2015, an improvement of 36.5%. There was one Section 54 safety stoppage imposed by the South African Department of Mineral Resources at the operations during the quarter, resulting in the loss of two days production and 202 platinum ounces at the operation.

Operational and financial restructure plan at Bokoni Mine

To ensure the future sustainability of Bokoni Mine, the Company announced on September 16, 2015 the implementation of the

Restructure Plan at its Bokoni Mine. The primary objective of the Restructure Plan was to enable Bokoni Mine to endure a prolonged period of depressed PGM commodity prices, by right sizing the operation, placing loss making operations on care and maintenance, reducing its existing cost base, increasing production volumes of higher grade ore from underground operations and improving operational efficiencies.

The major phase of the Restructure Plan was completed during the quarter, with key results as follows:

- The loss making Vertical and UM2 Merensky shafts underground operations were placed on care and maintenance (in August and December 2015 respectively);
- Owing to numerous operational and community related challenges a decision was taken to discontinue the Klipfontein Merensky open cast operations with effect from January 2017;
- Going forward Bokoni Mine has retained its two underground shaft operations at its Middelpunt Hill UG2 and Brakfontein Merensky development shaft complexes, where operations continue to ramp up towards achieving steady state production rates of 60,000 tonnes per month ("tpm") and 100,000 tpm by 2018 and 2020 respectively;
- The labour force at Bokoni Mine has been reduced by 29.6% from 5,657 personnel as at September 30, 2015 to 3,985 as at September 30, 2016. This reduction comprises a 47.3% decrease in contract labour and a 18.6% decrease in own mine employees. Post implementation of the Restructure Plan there remained an over complement of mine personnel over various departments at Bokoni Mine which has necessitated the issue of a further Section 189(3) notice to relevant parties pursuant to Section 189A of the South African Labour Relations Act, 66 of 1995, for the commencement of a consultation process on contemplated retrenchments of employees based on operational requirements;
- Bokoni Mine's cash operating costs have been reduced by 12% from Q3 2015 to Q3 2016, the majority of which is related to the substantial reduction in Bokoni Mine's labour force; and
- The Restructure Plan is beginning to achieve improved operational efficiencies with stoping crew efficiencies improving by 7% quarter-on-quarter to an average of 348 square meters per crew.

Operational results

Bokoni Mine tonnes delivered to the concentrator plant for Q3 2016 decreased by 27.2% to 368,266 with tonnes milled decreasing by 24.6% to 363,320 tonnes, resulting in production of 44,463 4E PGM ounces compared to 55,491 4E PGM ounces produced during Q3 2015.

Primary development decreased by 36.2% quarter-on-quarter to 1,508 metres. A negative impact resulting from the Restructure Plan has been a backlog in development at the operations during the first nine months of 2016 relative to the intended mine development plan. As a result, the planned production ramp up at Brakfontein Merensky and Middelpunt Hill UG2 development shaft complexes has been delayed by six to twelve months, respectively.

Recoveries at the concentrator plant increased by 1.3% to 90.2% for the Merensky concentrate and by 1.9% to 87.1% for the UG2 concentrate. The opencast concentrate recoveries increased by 10.7% to 72.5% for Q2 2016.

Financial results

Revenue decreased by 14.6% quarter-on-quarter to \$48.9 million as a result of the 19.9% decrease in 4E PGM ounces produced. The ZAR PGM basket price increased by 16.8% from ZAR10,214 in Q3 2015 to ZAR11,927 in Q3 2016, whilst the average US\$ platinum price increased by 8.8% from US\$998 in Q3 2015 to US\$1,086 in Q3 2016. The average realised ZAR/US\$ exchange rate for Q3 2016 was ZAR14.07 compared to the average exchange rate of ZAR13.00 realised in Q3 2015.

Total cash operating costs at Bokoni Mine were 19.3% lower, reflecting the decrease in tonnes milled and cost saving measures achieved by management. The change in Bokoni Mine's cost profile is attributable to:

- 24.1% decrease in labour costs due to the Restructure Plan with a number of employees taking voluntary severance packages in Q4 2015 and continued retrenchments in fiscal year 2016;
- 42.3% decrease in contract labour costs due to the Restructure Plan which led to the retrenchment of a significant number of contractor personnel and the 55.1% decrease in opencast tonnes delivered as the opencast contractor is paid on a per tonne delivered basis;
- 23.5% decrease in utility costs due to the UM2 and Vertical shaft operations being placed on care and maintenance; and
- 9.6% increase in sundries largely due to an increase in the maintenance and refurbishment costs associated with additional equipment purchased for underground operations.

Cost per tonne milled for Q3 2016 was \$128 (ZAR1,449) compared to \$127 (ZAR1,236) in Q3 2015 with cost per 4E ounce at \$1,048 (ZAR11,839) compared to \$1,103 (ZAR10,741) in Q3 2015.

Total capital expenditure for the three months ended September 30, 2016 was \$8.9 million, compared to \$8.3 million for Q3 2015, comprising 50% sustaining capital and 50% project expansion capital associated with the two key ramp-up shaft operations.

Bokoni Mine achieved a modest cash operating profit for the quarter.

The Company's basic and diluted loss per share improved 75% quarter-on-quarter to a loss of 1 cent per share.

Re-arrangement of term loan facilities with Anglo American Platinum and recognition of fair value gain

The Company's primary source of financing remains its term loan arrangements with [Anglo American Platinum Ltd.](#) ("Anglo Platinum").

During the quarter the Company agreed with Anglo Platinum to amend its existing debt facilities, such that all loan facilities will cease to incur any additional interest with effect from September, 2016 in order to limit the Company's debt exposure. As a result of this re-arrangement, the Company has recognized a significant fair value gain as equity on the balance sheet during the reporting period.

Queries:

On behalf of Atlatsa
Joel Kesler
Chief Commercial Officer
Office: +27 11 779 6800
Email: Joel@atlatsa.com

Cautionary note regarding forward-looking information

This document contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and 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: open cast mining and accelerated development of underground shaft systems at Bokoni Mine; maintaining production levels at Bokoni Mine in accordance with mine operating plan; anticipated financial and operational improvements expected as a result of the Restructure Plan; contracted parties provide goods and/or services on the agreed timeframes; availability of equipment available as scheduled and does not incur unforeseen breakdowns; absence of material labour slowdowns, strikes or community unrest; proper functioning of plant and equipment functions; geological or financial parameters do not necessitate future mine plan changes; and absence of geological or technical problems.

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 the achievement of the anticipated financial and operational improvements expected as a result of the Restructure Plan; uncertainties related to the continued implementation of the Bokoni Mine operating plan and opencast mining operations; uncertainties related to the termination of the Klipfontein Merensky Opencast Mine operation; uncertainties related to the timing of the implementation of the Bokoni Mine deferred expansion plans; fluctuations in market prices, levels of exploitation and exploration successes; 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 operate as anticipated; accidents, 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 Term Loan Facility and the Senior Facilities Agreement, as described in "Liquidity" and under "Going Concern" in note 2 of the unaudited condensed consolidated interim financial statements for Q3 2016. 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 Item 3D "Risk Factors" in Atlatsa's Annual Report on Form 20-F for fiscal year 2015, which is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

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.

Note to U.S. Investors Regarding U.S. Delisting and Deregistration

On July 20, 2015, the Company filed a Form 25 (Notification of Removal from Listing and/or Registration under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) with the U.S. Securities and Exchange Commission (the "SEC") to voluntarily withdraw its shares from listing on the NYSE MKT. The delisting was effective 10 days following the filing of the Form 25. On July 8, 2016, the Company filed a Form 15 with the SEC to terminate the registration of its common shares under Section 12(g) of the Exchange Act, and its reporting obligations under Section 13(a) of the Exchange Act. The termination of the Company's registration would become effective 90 days after the date of filing of the Form 15 with the SEC, or within such shorter period as the SEC may determine. Upon filing of the Form 15, the Company's reporting obligations under the Exchange Act were suspended. While the Company's prior filings with the SEC, including its Annual Report on Form 20-F, continue to be available on the SEC's Electronic Document Gathering and Retrieval System ("EDGAR") at www.sec.gov, the Company no longer files information with, or furnishes information to, the SEC.

The Company's common shares continue to trade on the TSX and the JSE, and the Company will continue to meet its Canadian and South African continuous disclosure obligations through filings with the applicable Canadian and South African securities regulators. All of the Company's filings can be found on the SEDAR at www.sedar.com and also on www.atlatsaresources.co.za.

SOURCE [Atlatsa Resources Corp.](#)

Contact

On behalf of Atlatsa Resources, Joel Kesler, Chief Commercial Officer, Office: +27 11 779 6800, Email: joel@atlatsa.com; Russell and Associates, Pam McLeod, Office: +27 11 880 3924, Email: pam@rair.co.za; One Capital Sponsor Services Proprietary Limited, Kathy Saunders / Taryn Carter, Office: +27 11 550 5010, Email: kathy@onecapital.co.za