

Key features for the 2016 financial year:

- Operational and financial restructure plan completed at Bokoni Platinum Mines (Proprietary) Limited ("Bokoni")
- Amendment to the term loan facility agreement entered into with [Anglo American Platinum Ltd.](#) ("Anglo Platinum")
- Renewed focus on development at remaining Bokoni ramp-up shaft projects
- Bokoni JV parties assessing establishment of a UG2 Chrome Tailings Recovery Plant
- Atlatsa's non-core project assets earmarked for disposal to Anglo Platinum
- Discussions with stakeholders remain on-going surrounding Anglo Platinum's exit from Bokoni JV

JOHANNESBURG, March 31, 2017 /CNW/ - [Atlatsa Resources Corp.](#) ("Atlatsa" or the "Company") (TSX: ATL; JSE: ATL) announces its operating and financial results for the quarter and year ended December 31, 2016. This release should be read together with the Company's audited consolidated financial statements for the year ended December 31, 2016 (the "Consolidated Financial Statements"), the related Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A") and the Annual Information Form filed on [www.sedar.com](#), which are also available at [www.atlatsa.com](#). Currency values are presented in South African Rand (ZAR), Canadian Dollars (\$) and United States Dollars (US\$).

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

Restructure Plan completed

In September 2015 Anglo Platinum and Atlatsa decided to effect a significant restructure plan at Bokoni ("Restructure Plan"). Completion of the Restructure Plan resulted in:

- the older UM2 and Vertical Merensky shaft operations being placed on care and maintenance;
- closure of the Merensky open pit operations;
- an increased focus on development at the two remaining ramp up underground shafts at Middelpunt Hill UG2 and Brakfontein Merensky operations respectively;
- a 30% reduction in the size of Bokoni's labour force; and
- an 18% reduction in Bokoni's cash operating cost base (excluding capital expenditure).

New operational plan

Production

Post implementation of the Restructure Plan, Bokoni operates two underground shafts, both of which remain in ramp-up phases toward becoming steady state operations.

The Middelpunt Hill UG2 shaft is currently operating at 80% of its targeted steady state volumes of 60 kilo tonnes per month ("ktpm") and it is estimated that it will achieve its steady state by Q2 2018.

The Brakfontein Merensky shaft is currently operating at 50% of its targeted steady state volumes of 90 ktpm and it is estimated that it will achieve its steady state by Q2 2019.

Management is currently implementing a comprehensive development plan to ensure sufficient stoping face length is made available to achieve the planned production ramp up. This is being achieved by improving waste handling infrastructure and upgrading trackless mining equipment required for development. Management is in the process of appointing a contract miner to develop critical ends to ensure that development targets are met.

Resource extraction strategy

Bokoni holds one of the largest undeveloped PGM resources on the Bushveld Complex. In addition to its existing ramp-up operations, it has a number of brownfield opportunities to expand mining operations.

The mine has well-established infrastructure and ore is processed on site at the concentrator plant with an installed design capacity of 160 ktpm.

The initial phase of the new operational plan at Bokoni is targeting a steady state operation of approximately 145 ktpm throughput being achieved by Q2 2019, with volumes being processed through the existing concentrator plant.

Chrome Tailings Recovery Plant

In addition to PGM mineralisation, the UG2 Ore at Bokoni contains between 25-30 % Cr₂O₃ (chromite) minerals.

Bokoni is currently conducting a feasibility study to assess the viability of extracting chrome from its UG2 tailings. Preliminary studies indicate that approximately 10-15 ktpm of UG2 chrome concentrate could be produced on a monthly basis at Bokoni.

New term loan facilities

A term loan facility agreement ("Term Loan") was originally entered into between Anglo Platinum and Atlatsa¹ on December 9, 2015 and provided for a ZAR 334 million (\$32.7 million) facility to enable Atlatsa to advance certain shareholder loans to fund its 51% share of operational and capital expenditure cash calls at Bokoni.

Although the Term Loan does not bear interest, if any amount which is due and payable is unpaid, such unpaid amount shall accrue interest at the South African prime rate plus 2% from the due date to the actual date of payment.

On August 15, 2016, an amendment was entered into which increased the size of the facility by ZAR 193 million (\$18.9 million), available in two tranches, to ZAR 527.0 million (\$51.6 million).

On March 9, 2017, a second amendment was entered into which increased the size of the facility by an additional ZAR 214.2 million (\$21.0 million), available in one tranche, to ZAR 741.2 million (\$72.6 million).

The term loan continues to bear no interest and the rate of payment for overdue amounts remains unchanged.

Anglo Platinum remains committed to fund its 49% share of cash calls at Bokoni.

Northern Limb Project Assets¹

On implementation of the Term Loan, Atlatsa has agreed to co-operate with Anglo Platinum in relation to, inter alia, its intended acquisition of Atlatsa's non-core Northern Limb project assets, comprising (i) the prospecting right held by Kwanda Platinum Mines Proprietary Limited and (ii) the prospecting rights in respect of Central Block mineral properties held by Atlatsa (through its South African subsidiary, Plateau).

¹ Through their subsidiaries, Rustenburg Platinum Mines Ltd ("RPM") and Plateau Resources (Pty) Ltd ("Plateau") respectively.

Discussions with Anglo Platinum

Post implementation of the Restructure Plan and pursuant to implementation of the new operational plan at Bokoni, discussions continue between Anglo Platinum, Atlatsa and relevant stakeholders surrounding an appropriate exit for Anglo Platinum from the Bokoni JV.

These discussions recognise that execution of the new operational plan is critical to ensure the future sustainability of the Bokoni operations, having regard to any potential future corporate activity surrounding Bokoni going forward.

Bokoni operating and financial performance – fiscal year ("FY") 2016

Set out below are summaries of the key operating and financial results for Bokoni for the quarter and year ended December 31, 2016.

Operating results		FY 2016	FY 2015	% change	Q4 2016	Q4 2015	% change
Tonnes delivered	t	1,294,503	1,681,656	(23.0%)	278,996	396,756	(29.7%)
Tonnes milled	t	1,317,668	1,676,694	(21.4%)	290,247	430,285	(32.5%)
Recovered grade	g/t milled, PGM	3.8	3.5	8.6%	3.9	3.4	14.7%
PGM oz produced	oz	159,241	190,740	(16.5%)	36,471	46,698	(21.9%)
Primary development	metres	5,686	7,778	(26.9%)	1,710	1,359	25.8%
Capital expenditure	\$m	25.2	25.7	(1.9%)	8.3	9.2	9.8%
Operating cost/tonne milled	ZAR/t	1,488	1,323	(12.5%)	1,449	1,288	(12.5%)
Operating cost/PGM oz	ZAR/PGM oz	12,311	11,630	(5.9%)	11,839	11,866	0.2%
Lost-time injury frequency rate ("LTIFR")	Per 200,000 hours worked	1.05	1.10	4.5%	0.92	0.93	1.1%

Financial results – Bokoni						
Expressed in Canadian Dollars (000's)	FY 2016	FY 2015	% change	Q4 2016	Q4 2015	% change
Revenue	162,699	205,691	(20.9%)	37,531	44,511	(15.7%)
Cash operating costs	(178,289)	(222,559)	19.9%	(50,426)	(54,128)	6.8%
Cash operating loss	(15,590)	(16,868)	7.6%	(12,895)	(9,617)	(34.1%)
Cash operating margin (%)	(9.6)	(8.2)	(17.1%)	(8.2)	(21.6)	62.0%
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")*	(15,114)	(390,248)	96.1%	(6,683)	4,471	(249.5%)
Loss for the period	(66,281)	(368,982)	82.0%	(31,399)	(17,705)	(77.3%)
Loss attributable to Atlatsa shareholders	(46,469)	(167,069)	72.2%	(21,564)	(9,195)	(134.5%)
Basic and diluted loss per share – cents	(8)	(30)	73.3%	(4)	(2)	(100.0%)

* 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).

Safety and health

Bokoni's LTIFR was 1.05 per 200,000 hours worked compared to 1.10 in 2015, representing an improvement of 4.5%. Nine

Section 54 safety stoppages were imposed by the South African Department of Mineral Resources at the operations, resulting in a loss of 2,773 platinum ounces compared to 19 stoppages in 2015 which resulted in 3,280 platinum ounces lost.

During FY 2016 three fatalities occurred at Bokoni compared to one fatality in FY 2015.

The safety and health of our employees continues to be a major focus at our operations as we remain committed to the principle of zero harm at Bokoni.

Operational results

As a result of two shafts being placed on care and maintenance during FY 2016, the tonnes milled at Bokoni decreased by 21.4% to 1,317,668 tonnes and the PGM ounces produced decreased to 159,241 4E PGM ounces compared to 190,740 4E PGM ounces produced during FY 2015.

Primary development decreased by 26.9% year-on-year to 5,686 metres due to the impact of the restructuring. Implementation of the Restructure Plan resulted in a backlog in development during FY 2016 relative to the intended mine development plan. This backlog is being addressed as part of the new operational plan being implemented in 2017.

Recoveries at the concentrator plant increased by 0.9% to 89.5% and 1.0% to 86.7% for the Merensky and UG2 concentrate, respectively, as a result of an increase in throughput and processing of lower grade ore from the opencast operation.

Financial results

Revenue decreased by 20.9% year-on-year to \$162.7 million as a result of a decrease of 16.5% in PGM ounces produced and a 6.4% decrease in the average US\$ platinum price per ounce from US\$1,054 in FY 2015 to US\$987 in FY 2016, partially offset by a 5.4% increase in the ZAR PGM basket price (ZAR 11,306 in FY 2016 compared to ZAR 10,730 in FY 2015).

Total cash operating costs were 19.9% lower than in FY 2015 reflecting the decrease in tonnes milled.

Cost per tonne milled for FY 2016 remained relatively flat at \$134 (ZAR 1,488) compared to \$133 (ZAR 1,323) in FY 2015 with costs per 4E ounce decreasing to \$1,113 (ZAR 12,311) compared to \$1,169 (ZAR 11,630) in FY 2015.

Total capital expenditure for the year ended December 31, 2016 was \$25.2 million, compared to \$25.7 million for 2015, comprising 38% sustaining capital and 62% project expansion capital associated with the two ramp-up shaft operations.

Financial results – Atlatsa						
Expressed in Canadian Dollars (000's)	FY 2016	FY 2015	% change	Q4 2016	Q4 2015	% change
Revenue	162,699	205,691	(20.9%)	37,531	44,511	(15.7%)
Cost of sales	(200,490)	(260,574)	23.1%	(56,233)	(66,093)	14.9%
Gross loss	(37,791)	(54,883)	31.1%	(18,702)	(21,583)	13.3%
General, administrative and other expenses	(7,601)	(9,359)	18.8%	(2,128)	(1,474)	(44.4%)
Restructuring costs	6,656	(14,926)	144.6%	472	7.0	nm
Impairment loss	-	(337,064)	100.0%	-	-	nm
Operating (loss) / profit	(38,736)	(416,233)	90.7%	(20,358)	(16,044)	(26.9%)
Net finance costs	(28,404)	(23,645)	(20.1%)	(6,690)	(6,640)	(0.8%)
Income tax	859	70,896	(98.8%)	(4,351)	4,979	(187.4%)
(Loss) / profit for the period	(66,281)	(368,982)	82.0%	(31,399)	(17,705)	(77.3%)
(Loss) / profit attributable to Atlatsa shareholders	(46,469)	(167,069)	72.2%	(21,564)	(9,195)	(134.5%)
Basic (loss) / profit per share – cents	(8)	(30)	73.3%	(4)	(2)	(100.0%)
Headline loss per share – cents*	(8)	(9)	11.1%	(4)	(2)	(100.0%)

* 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.

nm: not meaningful

Earnings

The basic and diluted loss per share was (\$0.08) for FY 2016 compared to (\$0.30) in FY 2015. The basic and diluted loss per share is based on the loss attributable to the shareholders of the Company of \$46.5 million compared to the loss attributable to the shareholders of the Company of \$167.1 million in FY 2015.

Issued share capital

As at December 31, 2016 Atlatsa had 554,288,472 issued and outstanding common shares.

Queries:

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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: maintaining production levels at Bokoni in accordance with mine operating plan; anticipated financial and operational improvements expected as a result of the Restructure Plan; the Company's ability to refinance its debts as and when due; the provision of goods and/or services by contracted parties on the agreed timeframes; availability of equipment available as scheduled; absence of material labour slowdowns, strikes or community unrest; proper functioning of plant and equipment functions; absence of mine plan changes resulting from a change in geological or financial parameters; 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 operating plan; uncertainties related to the termination and rehabilitation of the Klipfontein Merensky Opencast Mine operation; uncertainties related to the timing of the implementation of the Bokoni deferred expansion plans which includes the accelerated development of the Brakfontein and Middelpunt Hill shafts; 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 loans and borrowings, MD&A – Section 2 – "Liquidity", a copy of which can be found on SEDAR at www.sedar.com and under "Going Concern" in note 2 of the Consolidated Financial Statements. 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 "Risk Factors" in Atlatsa's Annual Information Form for Fiscal 2016, which is available on SEDAR at 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.

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