BAUBA PLATINUM LIMITED
Incorporated in the Republic of South Africa
(Registration number 1986/004649/06)
Share code: BAU   ISIN: ZAE000145686
("Bauba" or "the Company")

SIGNING OF CHROME ORE SUPPLY AGREEMENT

Further to the acquisition of chrome assets and renewal of cautionary announcement dated 19 March 2014, the board of directors of Bauba ("the Board") is pleased to advise shareholders that Bauba's subsidiary, Bauba A Hlabirwa Mining Investments Proprietary Limited ("Hlabirwa"), the legal holder of the prospecting rights, has entered into a chrome ore supply agreement with ASA Metals Proprietary Limited ("ASA").

Financial Impact

The main focus of Bauba, which was established in July 2010, was the development of its platinum projects on the eastern limb of the Bushveld Igneous Complex. These projects are completely reliant on shareholder funding. Subject to shareholder approval, the acquisition of the beneficial rights over the chrome assets, which has low cost open-cast exploitation potential, and the signing of the off-take agreement with ASA, secures the potential of a steady cash flow stream which may satisfy all of the Company's financial requirements to advance its projects for the foreseeable future.

The agreement with ASA makes provision for a prepayment of up to R5.6 million over the next seven months until the mining operations commence.

ASA Metals Proprietary Limited

ASA is a joint venture between Eastern Asia Metals Investment Co Ltd from China and the Limpopo Economic Development Enterprise of South Africa and was established in 1997. The company's headquarters are based in Sinosteel Plaza, Sandton, Johannesburg, South Africa. ASA's chrome mine and extensive on-site smelter and other processing facilities are located approximately 125 kilometres south of Polokwane on the eastern rim of the deposit-rich Bushveld Igneous Complex and approximately 30 kilometres south of the farm Moeijelik 412KS from which the chrome will be extracted. During January and February 2014 ASA independently confirmed the suitability of the chrome resource for their purposes, via 3 further exploration diamond bore holes on the farm Moeijelik 412KS. ASA's location and local beneficiation plant fits well with Bauba's future strategy of sustainable development in the area.

Operational Focus

Hlabirwa has applied for both a bulk sample authorisation and a mining permit over the farm Moeijelik 412KS. The company has been advised that the issuance of the bulk sample authorisation is now imminent and furthermore anticipates the mining permit to be awarded by the Department of Mineral Resources during June 2014. This will allow for site establishment to commence in July 2014 and resulting cash flow by the delivery of run of mine chrome ore to ASA by mid-August 2014. This agreement endures over an approximate period of 24 months thereafter. With a major portion of net cash proceeds from the chrome operation being diverted into the exploration program, it will place Hlabirwa in a favourable position to apply for a mining right over its projects and to further develop and exploit its platinum resources.

Hlabirwa has also entered into a lease and option agreement with Jibeng Investment Proprietary Limited, the land owners of the farm Moeijelik 412KS, to facilitate access to the chrome mining area. This agreement also provides for an option to acquire the portion of the farm on which the mining operations will be established.

Chrome Resource

The Venmyn Deloitte competent person report and the Board declared the chrome resource to be 9.3 million metric tonnes of which approximately 1.3 million metric tonnes have been identified as suitable for open cast mining operations up to a high wall of 50 metres. The agreement with ASA has for the time being been capped by Hlabirwa at a run of mine off-take total of 480 000 metric tons, with ASA having expressed an interest to materially increase the aforesaid quantity, should Hlabirwa be agreeable thereto at some future date.

Chief Executive Officer of Bauba, Syd Caddy commented: "*This transaction foresees the Company benefitting from an early cash flow generating enterprise and distinguishes Bauba from many of its peers in that its current exploration program will become to a substantial degree self-funded, thereby avoiding early dilution of shareholder value until its platinum projects, and this newly acquired chrome project, have been advanced well up the value curve*".

Johannesburg
27 March 2014

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