



May 1, 2014

Lesley Griffiths
Chair, Joint Review Panel
c/o Canadian Environmental Assessment Agency
160 Elgin Street, 22nd Floor, Place Bell
Ottawa, ON K1A 0H3

Dear Ms. Griffiths:

**Re: Letter on Monthly Updates on the Status of Marathon PGM-Cu Mine Project
(April 11, 2014)**

Thank you for the letter requesting further information on the optimization work. Stillwater Canada Inc. has been providing open, consistent and transparent information. We do not want to mislead participants with uncertain information and that is the primary reason we have yet to issue timelines in our monthly updates.

The Joint Review Panel noted from the March 3, 2014 "*Company Earnings Conference Call*" the following statement, "probably somewhere between 6 and 12 months' worth of optimization". This statement is correct and in addition to optimization work there are evaluation milestones that include reviews and approval from shareholders. Unfortunately, we are unable to provide further guidance or timelines to the Joint Review Panel until early to mid-2015, when initial phases of studies are expected to be sufficiently advanced to provide more clarity on timelines going forward. .

With regards to the other conference call statement highlighted by the Joint Review Panel "will include probably some drilling", further emphasizes the uncertainties regarding activities and schedules. It is standard practice for mining companies to conduct drilling and exploration activities, Stillwater Canada Inc. is no exception and has conducted annual exploration since acquiring the Project. Exploration and drilling are not necessarily connected to feasibility studies. We would like to clarify that the internal base case feasibility update for the Project, the optimization studies for the Project and exploration activities that are being completed simultaneously, are independent from

each other and may or may not be relevant to Environmental Assessment for the Project and length of suspension.

Stillwater understands the challenges and respects the feelings of frustration of all those participating in the environmental assessment. We understand the implications of this delay and appreciate your continued patience in this matter but request additional time to complete the next phase of the studies.

Yours sincerely,

<original signed by>

Clark Gilbert

VP and General Manager
Stillwater Canada Inc.