

ROYAL BAFOKENG PLATINUM LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2008/015696/06)

JSE share code: RBP ISIN: ZAE000149936

Bond code: RBPCB ISIN: ZAE000243853

("RBPlat" or the "Company")

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DECLARATION AND FINALISATION ANNOUNCEMENT IN RESPECT OF THE RIGHTS OFFER AND POSTING OF A CIRCULAR

Shareholders are hereby advised that RBPlat intends to raise up to R1 029 109 268 by way of a renounceable rights offer ("**the Rights Offer**").

1. SALIENT TERMS OF THE RIGHTS OFFER

- 1.1. In terms of the Rights Offer, 46 777 694 new ordinary RBPlat shares ("**Rights Offer Shares**") will be offered to RBPlat shareholders recorded in the share register at the close of business on Friday, 15 March 2019 ("**Record Date**"), at a Subscription Price of R22.00 per Rights Offer Share, in the ratio of 1 Rights Offer Share for every 4.5 RBPlat ordinary shares ("**RBPlat shares**") held on the Record Date.
- 1.2. The Subscription Price represents a discount of approximately 33.3% to the closing price of RBPlat shares on the JSE on Monday, 4 March 2019, the day prior to the release of this Rights Offer declaration and finalisation announcement on SENS, and a discount of 29.0% to the theoretical ex-rights price per share ("**TERP**") of RBPlat shares calculated on the same date.
- 1.3. The Company has received irrevocable undertakings from shareholders, including Royal Bafokeng Holdings Proprietary Limited, in respect of, in aggregate, 74.6% of the rights to be issued pursuant to the Rights Offer, representing proceeds of R768.8 million. Further information in respect of these commitments is included in paragraph 3 of this announcement.
- 1.4. Excess applications for Rights Offer Shares will be allowed. The Rights Offer is not conditional upon any minimum subscription being obtained.
- 1.5. The Rights Offer Shares to be issued will rank *pari passu* with the existing issued ordinary shares of RBPlat.
- 1.6. Only whole numbers of Rights Offer Shares will be issued and accordingly fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

2. RATIONALE FOR THE RIGHTS OFFER

2.1. Shareholders are referred to:

- 2.1.1. the announcement released on SENS on 6 September 2017 which related to the acquisition by the Company of: (i) the concentrator plant and related infrastructure from Maseve Investments 11 Proprietary Limited ("**Maseve**") for USD58 million, settled in cash ("**Plant Transaction**"), and (ii) 100% of the shares in and shareholder claims against Maseve, for USD12 million, settled in RBPlat shares; and
- 2.1.2. the circular, posted to shareholders on 2 November 2017 ("**Maseve Circular**"), relating to the specific authority for the issue of RBPlat shares for cash.

- 2.2. As set out in the Maseve Circular, at the time of entering into the Plant Transaction, it was the Company's intention to implement a capital raising by way of a specific issue of shares for cash for the purposes of funding the consideration owing in respect of the Plant Transaction. At a general meeting held on 30 November 2017, shareholders approved the specific issue.
- 2.3. In a subsequent announcement dated 6 April 2018, shareholders were advised that the Company, having assessed its near-term capital requirements and taking into consideration the market conditions at the time, did not believe it was in the best interests of the Company to raise equity capital at that time. Accordingly, the Company settled the Plant Transaction from existing cash and debt facilities available to the Company, as a means to temporarily bridge the payment, until such time as market conditions were more conducive to a capital raising.
- 2.4. Having considered its near-term capital requirements and taking into account prevailing market conditions, the Company has determined that now is an opportune time to raise equity capital to replenish the cash and debt facilities utilised by the Company as detailed above and fund the necessary upgrades to the Maseve Plant and related infrastructure, as well as the ramp-up of Styl drift to 230 ktpm. Notwithstanding that the Company has specific authority to issue shares for cash in place, given, *inter alia*, market conditions, the Company has elected to rather raise the necessary equity capital by way of the Rights Offer and not through a specific issue of shares for cash.
- 2.5. Implementation of a successful Rights Offer will address the Company's capital requirements in this regard and therefore the specific authority granted at the 30 November 2017 general meeting, will no longer be utilised and will effectively lapse.

3. IRREVOCABLE UNDERTAKINGS

RBPlat has received the following irrevocable undertakings by the shareholders listed below to follow their rights in respect of the RBPlat shares indicated:

Shareholder	% committed shareholding in RBPlat*	Rand value (Rm)
Allan Gray Proprietary Limited (on behalf of its clients)	23.7	244.3
Coronation Asset Management Proprietary Limited (on behalf of its clients)	6.5	67.2
Investec Asset Management Proprietary Limited (on behalf of its clients)	4.2	43.5
Royal Bafokeng Holdings Proprietary Limited ("RBH")**	40.2	413.8
Total	74.6	768.8

* Including treasury shares.

** Includes shares held by RBH and its group companies

A commitment fee of 1.25% is payable by the Company to each of the aforementioned shareholders on the Rand value of the irrevocable undertaking.

4. SALIENT DATES AND TIMES

2019

Rights Offer circular (“ Circular ”) published on the RBPlat website on	Monday, 11 March
Last day to trade in RBPlat shares in order to participate in the Rights Offer (cum rights)	Tuesday, 12 March
Listing of and trading in the letters of allocation under the JSE Code RBPB and ISIN ZAE000270104 on the JSE commences at 09:00 on	Wednesday, 13 March
RBPlat shares commence trading ex-rights on the JSE at 09:00 on	Wednesday, 13 March
Circular distributed to certificated shareholders together with a form of instruction on	Thursday, 14 March
Record Date	Friday, 15 March
Rights Offer opens at 09:00 on	Monday, 18 March
Dematerialised shareholders accounts at their CSDP or broker credited with their entitlement on	Monday, 18 March
Certificated shareholders’ letters of allocation credited to an electronic account held at the Transfer Secretaries on	Monday, 18 March
Circular distributed to dematerialised shareholders	Monday, 18 March
Last day to trade in letters of allocation on the JSE	Tuesday, 26 March
Certificated shareholders wishing to sell all or part of their entitlement must lodge their form of instruction with the transfer secretaries by 12:00 on	Tuesday, 26 March
Listing of, and trading in, the Rights Offer Shares on the JSE commences at 09:00 on	Wednesday, 27 March
Certificated shareholders wishing to renounce or subscribe for all or part of their Rights Offer Entitlement must lodge their form of instruction together with their payment with the Transfer Secretaries by 12:00 on	Friday, 29 March
Record Date for the letters of allocation	Friday, 29 March
Rights Offer closes at 12:00 on	Friday, 29 March
Rights Offer Shares issued and posted to shareholders in certificated form (where applicable) on or about	Monday, 1 April
Dematerialised shareholders’ CSDP or broker accounts updated and credited with Rights Offer Shares on	Monday, 1 April
Results of Rights Offer announced on SENS	Monday, 1 April
Refunds (if any) to certificated shareholders in respect of unsuccessful excess applications made	Wednesday, 3 April
Dematerialised shareholders’ accounts updated and debited by their CSDP or broker (in respect of successful excess applications)	Wednesday, 3 April

Notes:

1. Shareholders may not dematerialise or rematerialise their shares between Wednesday, 13 March 2019, and Friday, 15 March 2019, both dates inclusive.
2. All references to dates and times are to local dates and times in South Africa.
3. CSDPs effect payment in respect of dematerialised shareholders on a delivery-versus-payment method.

5. FOREIGN SHAREHOLDERS

Any shareholder resident outside the common monetary area who receives the Circular and form of instruction should obtain advice as to whether any governmental and/or any other legal consent is required and/or any other formality must be observed to enable such a subscription to be made in terms of such form of instruction.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and the Circular and form of instruction should not be forwarded or transmitted by recipients thereof to any person in any territory other than where it is lawful to make such an offer.

The letters of allocation and the Rights Offer Shares have not been and will not be registered under the Securities Act of 1933, as amended (the “**U.S. Securities Act**”), U.S. Securities Act, or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state and other securities laws of the United States. There will be no public offer of the letters of allocation and the Rights Offer Shares in the United States. The Rights Offer Shares are being offered and sold in offshore transactions in compliance with Regulation S of the U.S. Securities Act and subject to limited exceptions, are not being sold in the United States. The Circular does not constitute an offer of any securities for sale in the United States or to United States persons.

The Rights Offer contained in the Circular does not constitute an offer in the District of Colombia, the United States, the Dominion of Canada, the Commonwealth of Australia, Japan or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. Non-qualifying shareholders should consult their professional advisers to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer, or trade their entitlement.

Shareholders holding RBPlat shares on behalf of persons who are non-qualifying shareholders are responsible for ensuring that taking up the Rights Offer, or trading in their entitlements under that offer, do not breach regulations in the relevant overseas jurisdictions.

To the extent that non-qualifying shareholders are not entitled to participate in the Rights Offer, such non-qualifying shareholders should not take up their rights offer entitlement or trade in their Rights Offer entitlement and should allow their rights in terms of the Rights Offer to lapse.

6. RIGHTS OFFER CIRCULAR

A Circular, containing full details of the Rights Offer and a form of instruction in respect of a letter of allocation, will be posted to Certificated Shareholders on Thursday, 14 March 2019.

The Circular will be distributed to dematerialised shareholders on Monday, 18 March 2019.

The Circular will be available in electronic form from the Company's website (<http://www.bafokengplatinum.co.za/circulars.php>) on Monday, 11 March 2019.

Shareholders in the United States will not receive the Circular and should contact the Company if they are “qualified institutional buyers” (“**QIBs**”), as defined in Rule 144A under the U.S. Securities Act of 1933, as amended and would like to receive it.

Johannesburg
5 March 2019

Corporate advisor and transaction sponsor



Questco (Pty) Ltd

Legal advisor



Bowmans

JSE sponsor



Merrill Lynch South Africa (Pty) Ltd

JSE debt sponsor



Rand Merchant Bank (A division of FirstRand Bank Limited)

International Legal Counsel



Davis Polk & Wardwell London LLP

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