



IMPALA PLATINUM HOLDINGS LIMITED  
(Incorporated in the Republic of South  
Africa)  
(Registration number 1957/001979/06)  
JSE Share code:  
IMP  
ISIN:  
ZAE000083648  
ADR code: IMPUY  
JSE 2022 Convertible Bond ISIN: ZAE000247458  
JSE 2022 Convertible Bond Code: IMCB22

## **UPDATE ON THE CATEGORY 2 TRANSACTION ANNOUNCEMENT: ACQUISITION OF NORTH AMERICAN PALLADIUM LIMITED**

Shareholders are referred to the announcement released on SENS on 7 October 2019 (the "**Announcement**") relating to the acquisition by Impala Platinum Holdings Limited of 100% of the outstanding shares in North American Palladium Limited (TSX: PDL, OTC: PALDF) for cash consideration of C\$1,008 million (US\$758 million<sup>1</sup> or R11,396 million<sup>1</sup>).

Capitalized terms used but not otherwise defined in this announcement have the meaning ascribed to them in the Announcement.

### **1. Transaction implementation**

Implats is pleased to advise shareholders that the following conditions precedent to the Arrangement Agreement have been fulfilled:

- (i) regulatory conditions precedent, which include merger notification and any subsequent approval by the Canadian and German competition authorities, to the extent required; and
- (ii) exchange control approval from the South African Reserve Bank in terms of the Exchange Control Regulations of South Africa.

The Transaction remains subject to the fulfilment of the following conditions precedent, namely:

- (i) adoption of the Plan of Arrangement resolution by two thirds of the shareholders of NAP present at a meeting of the shareholders;

- (ii) court approval of the Ontario Superior Court of Justice having been obtained in relation to the Plan of Arrangement;
- (iii) all representations and warranties given by NAP, BidCo and Implats remaining true and correct on the Effective Date; and
- (iv) no material adverse event having occurred on or before the Effective Date.

## **2. Plan of Arrangement Process**

The special meeting of the NAP shareholders to vote on the Plan of Arrangement has been scheduled for Wednesday, 4 December 2019 ("**Shareholder Approval**"). Thereafter, the Plan of Arrangement will be submitted to the Ontario Superior Court of Justice for approval on Monday, 9 December 2019.

## **3. Update on financing**

The Bridge Facility was signed on Friday, 1 November 2019 with Morgan Stanley Senior Funding, Inc., Nedbank Limited (acting through its London Branch), RMB International (Mauritius) Ltd and The Standard Bank of South Africa Limited (acting through its Isle of Man Branch) and is in place to be drawn down by Bidco, subject to, *inter alia*, the Shareholder Approval and court approval in relation to the Plan of Arrangement having been obtained.

## **4. Closing Date**

If the aforementioned approvals are obtained and the remaining conditions precedent are fulfilled, the Transaction is expected to complete on or about Friday, 13 December 2019.

## **5. Additional information**

A further announcement will be made in respect of the fulfilment of the remaining conditions precedent and/or closing of the Transaction in due course.

Sandton, Johannesburg  
Tuesday, 26 November 2019

### **South African & Canadian Financial Advisors to Implats**

Macquarie Advisory and Capital Markets South Africa Proprietary Limited  
Macquarie Capital Markets Canada Limited.

### **South African, U.K., U.S., Canadian & German Legal Advisors to Implats**

Baker McKenzie

### **Sponsor to Implats**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

## **Queries:**

Johan Theron

E-mail: johan.theron@implats.co.za

T: +27 (0) 11 731 9013/43

M: +27 (0) 82 809 0166

Emma Townshend

E-mail: emma.townshend@implats.co.za

T: +27 (0) 21 794 8345

M: +27 (0) 82 415 3770

Alice Lourens

E-mail: alice.lourens@implats.co.za

T: +27 (0) 11 731 9033/43

M: +27 (0) 82 498 3608

## **Notes**

1. Assumes USD:CAD of 1.33 and USD:ZAR of 15.03 as at 4 October 2019. Based on 58.8 million NAP common shares in issue and 1.3 million in-the-money options.

## **Forward-Looking Statements**

This announcement contains "forward-looking statements" within the meaning of the securities laws of certain jurisdictions. Forward-looking statements can be identified by words like "may," "will," "likely," "should," "expect," "anticipate," "future," "plan," "believe," "intend," "goal," "seek," "estimate," "project," "continue" and similar expressions. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. The forward-looking statements included in this announcement are made only as of the date of this announcement, and except as otherwise required by law, we do not have any obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances.

Forward-looking statements in this announcement include, but are not limited to: statements with respect to the completion of the Transaction and the timing for its completion; the satisfaction of conditions precedent which include, without limitation the conditions referred to in paragraph 1 above, including compliance by Implats and NAP with various covenants contained in the Arrangement Agreement; statements with respect to the effect of the Transaction on Implats and its strategy going forward; statements with respect to the anticipated benefits associated with the acquisition of NAP; and NAP's financial outlook for estimated net and gross revenues from the sale of palladium for fiscal 2020.

Forward-looking statements are based on certain assumptions regarding Implats and NAP,

including the completion of the Transaction, anticipated benefits from the Transaction, and expected growth, results of operations, performance, industry trends and growth opportunities. While Implats and NAP consider these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements.

The factors and assumptions contained in this news release, which may prove to be incorrect, include, but are not limited to: the completion of the Transaction on the terms detailed above; NAP will be able to continue normal business operations at Lac des Iles Mine; palladium prices and exchange rates between the Canadian and United States dollar will be consistent with NAP's expectations; there will be no significant disruptions affecting operations; and that prices for key mining and construction supplies, including labour, will remain consistent with NAP's expectations. The forward-looking statements are not guarantees of future performance.

The assumptions of Implats and NAP, although considered reasonable by them at the time of preparation, may prove to be incorrect. In addition, forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; future legislative, tax and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the ability of NAP to implement its business strategies; competition; currency and interest rate fluctuations and other risks. Among other things, there can be no assurance that the Transaction will be completed or that the anticipated benefits from the Transaction will be achieved.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this announcement are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter.

Notice to U.S. Holders. Both Implats and NAP have been formed outside of the United States. The Transaction will be subject to disclosure requirements of Canada that are different from those of the United States. Financial statements included in the documents, if any, will be prepared in accordance with Canadian accounting standards and may not be comparable to the financial statements of United States companies. It may be difficult for a securityholder in the United States to enforce his/her/its rights and any claim a securityholder may have arising under U.S. federal securities laws, since the companies are located in Canada, and some or all of their officers or directors may be residents of Canada or another country outside of the United States. A securityholder may not be able to sue a Canadian company or its officers or directors in a court in Canada or elsewhere outside of the United States for violations of U.S. securities laws. It may be difficult to compel a Canadian company and its affiliates to subject themselves to a U.S. court's judgment.