

MERAFE RESOURCES LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003452/06)

Share Code: MRF

ISIN: ZAE000060000

(“**Merafe**” or the “**Company**”)

NOTICE IN TERMS OF SECTION 189 OF THE LRA

Glencore Operations South Africa Proprietary Limited (Alloys Division) and Merafe (the “**Parties**”) have commenced a consultation process in terms of sections 189 and 189A of the Labour Relations Act No. 66 of 1995 (“**LRA**”), (“**Process**”) and consultation with employee representatives and recognised trade unions regarding the Process is underway.

The Process is as a result of the worsening operating environment across the South African ferrochrome industry, including unsustainable electricity pricing. Despite significant investments in an attempt to make the operations more competitive, the Parties have continued to come under substantial operational and financial pressures.

The operations impacted by the Process are, Lydenburg Smelter, Wonderkop Smelter, Boshhoek Smelter and Lion Smelter. The Process will also impact the Eastern and Western Chrome Mines. The current consultation process in terms of sections 189 and 189A of the LRA at the Rustenburg Smelter, as published on SENS on 20 January 2020, will continue.

The Parties view their engagement with the employee representatives and recognised trade unions of its operations as an ongoing process and all alternatives will be considered.

Further updates will be issued as appropriate.

Sandton
19 June 2020

Sponsor
One Capital