

NORTHAM PLATINUM LIMITED

Incorporated in the Republic of South Africa

(Registration number 1977/003282/06)

Share code: NHM ISIN: ZAE000030912

Debt issuer code: NHMI

Bond code: NHM002 Bond ISIN: ZAG000129024

Bond code: NHM006 Bond ISIN: ZAG000158577

Bond code: NHM007 Bond ISIN: ZAG000158593

Bond code: NHM009 Bond ISIN: ZAG000158866

Bond code: NHM011 Bond ISIN: ZAG000159237

Bond code: NHM012 Bond ISIN: ZAG000160136

Bond code: NHM013 Bond ISIN: ZAG000162181

Bond code: NHM014 Bond ISIN: ZAG000163650

Bond code: NHM015 Bond ISIN: ZAG000164922

Bond code: NHM016 Bond ISIN: ZAG000167750

Bond code: NHM017 Bond ISIN: ZAG000167891

Bond code: NHM018 Bond ISIN: ZAG000168097

Bond code: NHM019 Bond ISIN: ZAG000168105

("Northam" or the "company" or the "group")

ABRIDGED AUDITED GROUP ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2020 AND NOTICE OF ANNUAL GENERAL MEETING

Key features:

- Record revenue of R17.8 billion
- Record operating profit of R5.3 billion
- Record EBITDA of R6.0 billion
- Record normalised headline earnings of R3.4 billion equating to 676.3 cents per share, up 150.4%
- Record profit after tax of R2.2 billion
- Return of shareholder value, through 46.7% Zambesi preference share ownership
- Net debt of R3.3 billion

Financial results

Despite the challenges of the COVID-19 pandemic, this has been a record year for Northam. The company has commenced the fourth strategic phase by returning meaningful value to Northam shareholders ("**shareholders**") and remains committed to returning further value going forward.

The group achieved record sales revenue, record operating profit and record earnings before interest, taxation, depreciation and amortisation ("**EBITDA**") for the year. These record outcomes were achieved notwithstanding the impact of mine and production stoppages, which occurred as a result of the COVID-19 induced lockdown. Prior and up to the commencement of the lockdown period, the group was on track to achieve record production from own operations during the year ended 30 June 2020 ("**F2020**").

Sales revenue increased by 67.3% to R17.8 billion (F2019: R10.6 billion) for the year. This increase is attributable to a 60.8% rise in the 4E basket price to USD1 764/oz (F2019: USD1 097/oz) and a 10.9% weaker ZAR/USD exchange rate realised.

Despite logistical hurdles associated with the COVID-19 pandemic, including border closures that made the distribution of refined metal challenging, the group maintained robust refined metal sales of 560 238 4E oz. This highlights the strong relationships that Northam has developed and maintained with its industrial customer base over many years.

The average US dollar sales prices achieved during the year under review improved for most metals. Palladium and rhodium both performed well, increasing by 52.4% and 169.8%, respectively. Both these metals continued their upward trends subsequent to the financial year end. Platinum however, making up roughly 60% of the sales volume of Northam's precious metals 4E basket, continues to be the laggard. The average price achieved during the year was USD858/oz (F2019: USD824/oz), which impacted the 4E basket price achieved. Platinum now only contributes 28.0% (F2019: 46.3%) to the 4E basket. Any upward movement in the platinum price will have a positive impact on the profitability of the group.

The group continues to deliver on its strategy of developing low-cost, long-life assets which are positioning the group for further strong financial performance even in subdued or potentially volatile commodity markets. The benefit of Northam's growth strategy, initiated in 2015, is evidenced by some of the key financial highlights listed below:

Highlights

	30 June 2020	30 June 2019	Variance %
Sales revenue	R17.8 billion	R10.6 billion	67.3
Operating profit	R5.3 billion	R2.4 billion	120.0
Operating profit margin	29.8%	22.6%	31.9
Normalised headline earnings	R3.4 billion	R1.4 billion	150.4
Earnings per share	620.0 cents	17.2 cents	>1000.0
Headline earnings per share	619.5 cents	15.8 cents	>1000.0
Normalised headline earnings per share	676.3 cents	270.1 cents	150.4
EBITDA	R6.0 billion	R2.6 billion	128.3
EBITDA margin	33.8%	24.8%	36.3
Capital expenditure	R2.4 billion	R2.9 billion	(17.2)

Dividends and other means of returning value to shareholders

There are a number of ways that value can be returned to shareholders. This includes cash dividends, but also includes share buy-backs or the purchase of the Zambezi Platinum (RF) Limited ("**Zambezi**") preference shares.

During the year under review, Northam returned value to shareholders by acquiring 49 364 435 Zambezi preference shares for R3.7 billion. Subsequent to year end an additional 21 134 297 preference shares were acquired for R1.7 billion. Northam now holds 46.7% of the total issued number of Zambezi preference shares.

The board has therefore resolved not to declare a dividend for the financial year ended 30 June 2020 (F2019: RNil).

NOTICE OF ANNUAL GENERAL MEETING

The annual general meeting ("**AGM**") of shareholders will be held on Friday, 27 November 2020 at 10:00 to transact the business as stated in the notice of AGM and abridged annual report 2020 ("**notice and abridged annual report 2020**").

In light of the COVID-19 pandemic, the AGM will be held entirely by way of electronic participation. Shareholders are encouraged to read the notice and abridged annual report 2020 for information on how to attend electronically, participate in and vote at the AGM.

Shareholders are advised that the notice and abridged annual report 2020, containing the summarised audited annual financial statements for the year ended 30 June 2020, will be distributed to shareholders today, 28 August 2020.

The annual integrated report 2020, the complete consolidated audited annual financial statements which incorporates the external auditors' report in which Ernst & Young Inc. expressed an unmodified audit opinion and the notice and abridged annual report 2020 are available on the company's website at <https://www.northam.co.za/investors-and-media/publications/annual-reports> or can be obtained from the company's registered office on request.

The salient dates for the AGM are as follows:

	2020
Record date to determine which shareholders are entitled to receive the notice and abridged annual report 2020, on	Friday, 21 August
Distribution of the notice and abridged annual report 2020 to shareholders, on	Friday, 28 August
Last date to trade in order to be recorded in the register to be able to electronically attend, participate in and vote at the AGM, on	Tuesday, 10 November
Record date to determine which shareholders are entitled to electronically attend, participate in and vote at the AGM, on	Friday, 13 November
For administration purposes, forms of proxy to be lodged by 10:00, on *	Thursday, 26 November
AGM to be held at 10:00, on	Friday, 27 November
Results of AGM published on SENS, on	Friday, 27 November

** Any forms of proxy not lodged by this date and time must be submitted to the chairman of the AGM before the start of the AGM, electronically, as set out in the notice and abridged annual report 2020, before the appointed proxy may exercise any rights of the shareholder at the AGM.*

This short-form announcement is the responsibility of the directors and is only a summary of the information contained in the full results announcement and does not contain full or complete details.

Any investment decision should be based on the full results announcement accessible via the JSE link at https://senspdf.jse.co.za/documents/2020/JSE/ISSE/NHM/AFS_2020.pdf and also available on Northam's website at <https://www.northam.co.za/investors-and-media/publications/annual-reports>.

The consolidated audited annual financial statements, from which the full results announcement has been extracted, have been audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The key audit matters contained in the auditor's report are addressed on page 12 of the consolidated audited annual financial statements, which is available on Northam's website at <https://www.northam.co.za/investors-and-media/publications/annual-reports>.

The full results announcement and the consolidated audited annual financial statements, incorporating the auditors' report, are also available at our registered office and at the office of our sponsor for inspection, at no charge, during office hours.

On behalf of the board at Johannesburg on 18 August 2020.

KB Mosehla
Chairman

PA Dunne
Chief executive

DIRECTORS

KB Mosehla
R Havenstein

(non-executive chairman)
(lead independent non-executive director)

PA Dunne *	(chief executive officer)
AH Coetzee	(chief financial officer)
DH Brown	(independent non-executive director)
CK Chabedi	(non-executive director)
HH Hickey	(independent non-executive director)
NY Jekwa	(independent non-executive director)
MH Jonas	(independent non-executive director)
TE Kgosi	(non-executive director)
TI Mvusi	(independent non-executive director)
JJ Nel	(independent non-executive director)
JG Smithies *	(independent non-executive director)

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Johannesburg
28 August 2020