

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: 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”**)

NORTHAM INCREASES ITS ZAMBEZI PREFERENCE SHARE HOLDING TO APPROXIMATELY 70% BY ACQUIRING R3.5 BILLION OF ZAMBEZI PREFERENCE SHARES

Northam shareholders are referred to the announcement dated 18 August 2020 (**“previous announcement”**) pertaining to the acquisition by Northam of preference shares in Zambezi Platinum (RF) Limited (**“Zambezi”**) (**“Zambezi preference shares”**).

Northam is pleased to announce that, since the date of the previous announcement, it has acquired an additional 37 179 697 Zambezi preference shares for a total cash consideration of approximately R3.5 billion (**“ZPLP acquisitions”**). Following the ZPLP acquisitions, Northam holds 111 909 248 Zambezi preference shares (**“Northam owned prefs”**), representing approximately 70% of all Zambezi preference shares in issue.

The face value of the Northam owned prefs as at 15 October 2020, calculated as the initial issue price of the Zambezi preference shares plus accumulated preference share dividends, amounts to approximately R9.1 billion.

As stated in the previous announcement, Northam’s acquisition of Zambezi preference shares will reduce the preference share dividend expense and liability included in Northam’s consolidated financial statements, as well as Northam’s potential financial exposure under the guarantee it provided to holders of Zambezi preference shares, should the guarantee be called upon. Furthermore, should Zambezi elect to redeem the Zambezi preference shares through a distribution of ordinary shares in Northam (**“Northam shares”**) held by Zambezi, then the redemption of the Zambezi preference shares held by Northam, at such time, will result in a distribution of Northam shares to Northam, thereby reducing the number of Northam shares in issue.

The ZPLP acquisitions have been fully funded through Northam’s internal cash resources.

The ZPLP acquisitions are not categorised transactions in terms of the JSE Limited Listings Requirements and information relating thereto is provided for information purposes only.

Paul Dunne, Northam’s Chief Executive Officer said *“Northam has continued to return significant value to shareholders by accelerating the purchase of Zambezi preference shares to the current 70% holding. This strategy will positively impact future earnings and earnings per share and will add to the success of our*

empowerment transaction. Furthermore, Northam no longer considers the back-up guarantee provided in favour of the Zambezi preference shareholders to be a dilution risk to Northam ordinary shareholders and this is a significant milestone for the Company. Our mines and operations have proved to be resilient following the COVID-19 induced national lockdown and the commitment demonstrated by the Northam employees in restoring operations to normality has been outstanding.”

Johannesburg
15 October 2020

Corporate Advisor, JSE Sponsor and Debt Sponsor to Northam
One Capital

Attorneys to Northam
Cliffe Dekker Hofmeyr Inc.