

NORTHAM PLATINUM HOLDINGS LIMITED

Incorporated in the Republic of South Africa
(Registration number 2020/905346/06)
Share code: NPH ISIN: ZAE000298253
("Northam Holdings")

NORTHAM PLATINUM LIMITED

Incorporated in the Republic of South Africa
(Registration number 1977/003282/06)
Debt issuer code: NHMI

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: NHM018	Bond ISIN: ZAG000168097
Bond code: NHM019	Bond ISIN: ZAG000168105
Bond code: NHM020	Bond ISIN: ZAG000172594

("Northam")

IMPLEMENTATION OF THE NORTHAM SCHEME

Unless otherwise defined herein, capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the combined circular to shareholders of Northam accompanied by the prospectus in respect of Northam Holdings, dated Monday, 31 May 2021 (collectively, the "**Scheme Documents**").

KEY FEATURES OF THE COMPOSITE TRANSACTION

Acceleration of maturity and wind-up of the Zambezi BEE Transaction:

- R10.5 billion of pre-tax value unlocked for Northam Group employees, communities and strategic BEE partners
- 26.1% reduction in Northam's issued share capital net of Treasury Shares
- Extinguishment of the guarantee provided by Northam to Zambezi Preference Shareholders
- Continuation of senior management's incentive structure until 17 May 2025, ensuring retention of key individuals

The Extended BEE Transaction:

- Creates flexibility to ensure compliance with the BEE ownership requirements set out in the Mining Charter in respect of existing mining rights and new mining rights through the introduction of Northam Holdings
- c. 26.5% ownership by historically disadvantaged persons in Northam for a further 15 years
- Emphasis on participation by Northam Group employees (excluding management and employees that participate in the Northam share incentive plan) and host and affected communities
- Participation by other HDPs such as women's groups and youth groups, through the proposed listing of HDP SPV on the BEE segment of the JSE

1. INTRODUCTION

Shareholders of Northam Holdings (“**Shareholders**”) are referred to the Scheme Documents as well as the combined announcements published by Northam Holdings and Northam on SENS on Tuesday, 23 March 2021, Monday, 31 May 2021, Monday, 21 June 2021, Wednesday, 30 June 2021, Tuesday, 6 July 2021, Tuesday, 20 July 2021, Thursday, 5 August 2021, Monday, 23 August 2021, Monday, 6 September 2021 and Tuesday, 7 September 2021 as well as the announcement published by Northam on Friday, 11 June 2021 pertaining to the Composite Transaction.

To obtain a thorough understanding of the Composite Transaction, Shareholders are advised to refer to the full terms and conditions pertaining thereto, as set out in the Scheme Documents.

2. IMPLEMENTATION OF THE NORTHAM SCHEME

Northam Holdings and Northam are pleased to advise that with effect from today, 20 September 2021, the Northam Scheme has been implemented, pursuant to which Northam Holdings has acquired all of the Northam Scheme Shares held by Northam Scheme Participants in exchange for Northam Holdings Shares, on a one-for-one basis, subject to the provisions set out in the Scheme Documents.

3. OVERVIEW OF THE TRANSACTION

- The Zambezi Scheme was implemented on Monday, 23 August 2021, whereby Northam acquired all of the remaining Zambezi Preference Shares not already held by it, resulting in Northam holding 100% of the Zambezi Preference Shares in issue. The Zambezi Preference Shares were subsequently delisted from the JSE.
- On Monday, 6 September 2021, Northam, in its capacity as the Zambezi N Shareholder, assumed voting and economic control of Zambezi and Zambezi became a Subsidiary of Northam. Additionally, Zambezi made the Net Value Distribution, comprising a cash dividend and a dividend *in specie* of the Residual Northam Shares to the Zambezi Ordinary Shareholders.
- Pursuant to the implementation of the Revised Accumulated Dividends Settlement, the Repurchase and the ESOP Repurchase (collectively, the “**Transaction Repurchases**”), Northam repurchased, in aggregate, 91 953 058 Northam Shares, amounting to approximately 18% of all the Northam Shares in issue prior to the implementation of the Transaction, which Northam Shares were cancelled.
- Following the implementation of the Transaction Repurchases, Northam has a total of 417 828 154 Northam Shares in issue, of which 41 040 939 Northam Shares are held by Zambezi as Treasury Shares, resulting in an effective 26.1% decrease in the number of Northam Shares in issue prior to the implementation of the Transaction, net of Treasury Shares.

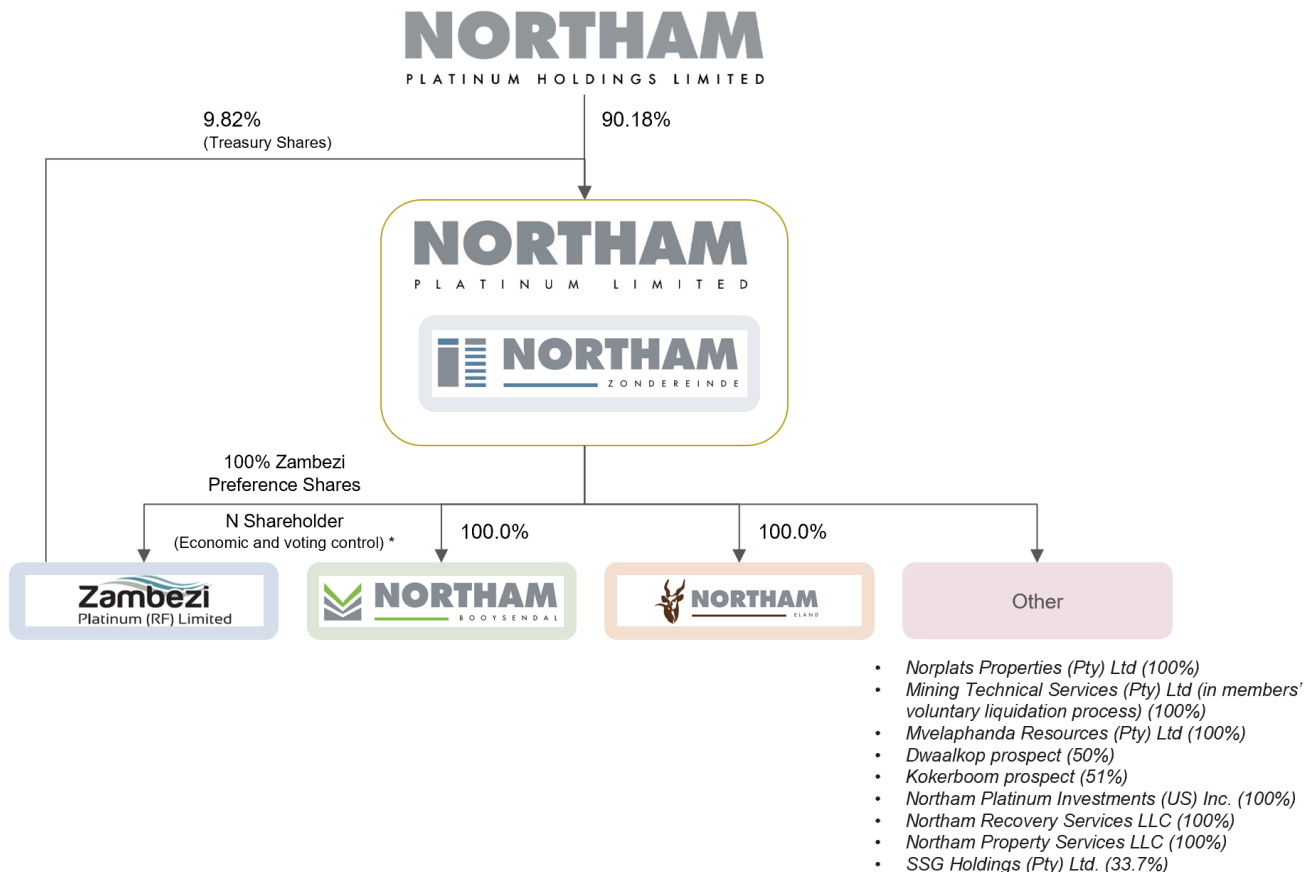
The remaining components of the Transaction, comprising, *inter alia*, the facilitation of the payment of the Zambezi Taxes, the Zambezi Preference Share Redemption and the voluntary winding up of Zambezi, will be implemented in due course in accordance with the terms and conditions set out in the Scheme Documents.

4. OVERVIEW OF THE NORTHAM GROUP FOLLOWING IMPLEMENTATION OF THE NORTHAM SCHEME

As a result of the implementation of the Northam Scheme, today, 20 September 2021, Northam Holdings holds 100% of all Northam Shares in issue (excluding Treasury Shares) and Northam is a subsidiary of Northam Holdings. The total number of Northam Holdings Shares in issue amounts to 376 787 216. In terms of paragraph 11.8B of the JSE Listings Requirements, Northam Holdings confirms that the level of public shareholders envisaged in paragraph 4.25 and 4.26 of the JSE Listings Requirements has been achieved.

The introduction of Northam Holdings optimises the Northam Group structure for compliance with the HDP ownership requirements set out in the Mining Charter.

The organogram below depicts the Northam Group following implementation of the Transaction (as detailed above) and the Northam Scheme.



*Northam is entitled to exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders; and subject to the settlement of Zambezi Retention Release Amount, receive 100% of the Distributions made by Zambezi.

Overview of the Northam Group

Northam is an independent, integrated mine to market PGM producer and its existing core business assets are the Zondereinde, Booyseindal and Eland mine complexes, together with the smelter complex located at the Zondereinde mine. Its primary products are the three main PGMs – platinum, palladium and rhodium – and gold (“4E”). More information pertaining to the Northam Group, including its financial performance, operational performance, health and safety performance, mineral resources and mineral reserves can be found on the Northam Group website at www.northam.co.za.

Prospects of the Northam Group

In 2015, the Northam Group embarked on a four-phased growth strategy and invested significant financial resources to increase its PGM production safely, efficiently and sustainably against the sector trend of depleting supply. The medium-term production target of 1 million 4E ounces per annum is fully funded and on track for the 2026 financial year. The Northam Group commenced with phase four of the growth strategy (return value to shareholders) with the purchase of Zambezi Preference Shares in the second half of the 2016 calendar year and is well positioned to continue returning value to Shareholders. The Northam Group continues to assess available growth strategies.

5. UPDATE REGARDING THE EXTENDED BEE TRANSACTION

The next phase of the Composite Transaction is the implementation of the Extended BEE Transaction in accordance with the terms and conditions contained in the Scheme Documents, which is expected to occur within the next 12 to 24 months. Upon implementation of the Extended BEE Transaction, ownership in Northam by HDPs will be restored to up to 26.5% (net of Treasury Shares) for up to 15 years, with an emphasis on participation by Employees and Communities.

6. NORTHAM BOARD RESPONSIBILITY STATEMENT

The Northam Board (to the extent that the information relates to Northam) accepts responsibility for the information contained in this announcement and certifies that, to the best of its knowledge and belief, the information contained in this announcement relating to Northam is true and this announcement does not omit anything that is likely to affect the importance of such information.

7. NORTHAM HOLDINGS BOARD RESPONSIBILITY STATEMENT

The Northam Holdings Board (to the extent that the information relates to Northam Holdings) accepts responsibility for the information contained in this announcement and certifies that, to the best of its knowledge and belief, the information contained in this announcement relating to Northam Holdings is true and this announcement does not omit anything that is likely to affect the importance of such information.

Paul Dunne, Northam Holdings' Chief Executive Officer, commented “*This is a very special day for Northam. The implementation of the Northam Scheme, combined with the listing of Northam Holdings, represents a significant milestone in Northam's history and we appreciate the efforts of all the parties involved in making this landmark transaction possible. We are especially grateful for the overwhelming support received from our shareholders and we look forward to further value creation for all stakeholders as the Group continues to execute on its growth strategy.*”

Johannesburg
20 September 2021

**Corporate Advisor to Northam and
Northam Holdings**

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Deloitte.

Northam Holdings Directors: David Hugh Brown (Chairman)*^; Hester Helena Hickey*^; Dr Noluyolo Yoza Jekwa*^; Glyn Tudor Lewis*^; Mcebisi Hubert Jonas*^; Tebogo Emily Kgosi^; Temba Irvine Mvusi*^; Jean Johannes Nel*^; John Gabriel Smithies*^; Paul Anthony Dunne (Chief Executive Officer); Aletta Helena Coetzee (Chief Financial Officer)

Northam Directors: David Hugh Brown (Chairman)*^; Hester Helena Hickey*^; Paul Anthony Dunne (Chief Executive Officer); Aletta Helena Coetzee (Chief Financial Officer)

* Independent ^ Non-executive

Foreign Shareholders

Foreign Shareholders are referred to the disclaimer in the Announcement which applies to this announcement.