

NORTHAM PLATINUM HOLDINGS LIMITED

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

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")

REPURCHASE OF 3.9% OF THE NORTHAM HOLDINGS SHARES IN ISSUE AND FURTHER REDUCTION IN THE ISSUED SHARE CAPITAL

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 ("**Northam Circular**"), accompanied by the prospectus in respect of Northam Holdings, dated Monday, 31 May 2021.

Shareholders of Northam Holdings ("**Shareholders**") are advised that Northam Holdings has accepted an irrevocable, unconditional offer ("**Share Sale Offer**") from the Relevant Zambezi Shareholders to acquire, in aggregate, c. 14.6 million Northam Holdings Shares ("**NPH Repurchase Shares**"), representing 3.9% of the total issued share capital of Northam Holdings, for a purchase consideration of R165.29 per Northam Holdings Share ("**Purchase Price**"), ("**NPH Repurchases**").

The Purchase Price represents a 16.1% discount to the 30 Day VWAP of a Northam Share as at 17 September 2021 (each Northam Share having been exchanged for a Northam Holdings Share pursuant to the implementation of the Northam Scheme). The aggregate Purchase Price in respect of the NPH Repurchases amounts to approximately R2.4 billion ("**NPH Repurchase Consideration**").

Shareholders of Northam granted approval at the General Meeting held on Wednesday, 30 June 2021, for a repurchase by Northam Holdings of Northam Holdings Shares from the Relevant Zambezi Shareholders at a price not exceeding the prevailing 30 Day VWAP of a Northam Holdings Share / Northam Share at the relevant acquisition date. Northam accepted the Share Sale Offer pursuant to the Group's continued efforts to execute on its strategy of returning meaningful value to Shareholders.

Northam Holdings will acquire the NPH Repurchase Shares from the Relevant Zambezi Shareholders, as detailed below:

Relevant Zambezi Shareholder	Number of NPH Repurchase Shares	Number of Northam Holdings Shares held after the NPH Repurchases	Percentage of Northam Holdings Shares held after the NPH Repurchases (note 1)
Atisa Platinum (RF) Proprietary Limited	3 527 835	-	0.0%
Malundi Resources (RF) Proprietary Limited	1 014 995	2 512 840	0.7%

Relevant Zambezi Shareholder	Number of NPH Repurchase Shares	Number of Northam Holdings Shares held after the NPH Repurchases	Percentage of Northam Holdings Shares held after the NPH Repurchases (note 1)
Mpilo Platinum (RF) Proprietary Limited	8 213 241	-	0.0%
Zambezi Platinum Women's SPV (RF) Proprietary Limited	1 814 992	3 449 199	1.0%
Total	14 571 063	5 692 039	1.7%

Note 1: Percentage shareholding is determined with reference to the total number of Northam Holdings Shares in issue following implementation of the NPH Repurchases.

The NPH Repurchases will be implemented on or about 23 September 2021 in accordance with the terms of the agreements governing the Share Sale Offer. An application will be made to the JSE to terminate the listing of the NPH Repurchase Shares after implementation of the NPH Repurchase. The NPH Repurchase Shares will be cancelled and will revert to authorised but unissued Northam Holdings Shares.

Funding of the NPH Repurchase Consideration

The NPH Repurchase Consideration will be funded from the Group's available cash and credit facilities, resulting in a decrease in cash and cash equivalents, an increase in the utilisation of credit facilities as well as a corresponding adjustment to stated capital, taking into account the effects of the aforesaid.

Impact on Northam Holdings Shares in issue

Following implementation of the NPH Repurchases, the total number of Northam Holdings Shares in issue will reduce from 376 787 216 to 362 216 153, with 1 Northam Holdings Share held in treasury.

Overall aggregate impact of the NPH Repurchases and the Transaction

Prior to the implementation of the Transaction (as further contemplated in the Northam Circular), Northam had 509 781 212 shares in issue. Accordingly, the Transaction and NPH Repurchases will collectively result in an aggregate 28.9% reduction in the total issued share capital compared to before implementation of the Transaction.

Northam's total return of value to shareholders through the 28.9% reduction in share capital, including as a result of the acquisition of Zambezi Preference Shares, Northam Shares and Northam Holdings Shares, amounts to approximately R21.9 billion, of which R17.9 billion has been and will be applied in respect of the 2021 financial year and the 2022 financial year to-date.

Comparison of the Northam issued share capital before and after the Zambezi BEE Transaction, the Transaction and the NPH Repurchases

Prior to the implementation of the Zambezi BEE Transaction in May 2015, Northam had 397 586 090 shares in issue ("**Pre-Zambezi Share Capital**").

The Zambezi BEE Transaction resulted in an increase in Northam's issued share capital to 509 781 212.

Following implementation of the Transaction and the NPH Repurchases, the issued share capital will reduce to 362 216 153.

Accordingly, the Zambezi BEE Transaction, the Transaction and the NPH Repurchases will collectively result in an 8.9% reduction in the issued share capital, when compared to the Pre-Zambezi Share Capital.

The overall net reduction in issued share capital is attributable to, *inter alia*, the NPH Repurchases, the utilisation of a number of Northam Shares already in issue for purposes of the Zambezi BEE Transaction in 2015 (which shares have effectively now also been repurchased by Northam), as well as the acquisition by Northam of Zambezi Preference Shares.

Paul Dunne, Northam Holdings' Chief Executive Officer, commented “*Northam believes that this additional share repurchase, executed at a 16.1% discount to the current 30 Day VWAP, will further enhance shareholder returns in the medium to long term. In conjunction with the successful implementation of the Transaction, very significant value accretion has been permanently crystallised and transferred to our Zambezi empowerment partners. All risks pertaining to a potential or perceived share overhang have now been fully addressed, in an orderly and capital efficient manner. Upon completion of the Transaction and this repurchase, Northam will have 8.9% less shares in issue when compared to before the 2015 Zambezi BEE Transaction, being a unique outcome in the context of a very successful empowerment transaction which delivered on all of Northam's expectations and enabled the Group to substantially reposition itself in a counter-cyclical manner.*”

Johannesburg
20 September 2021

Corporate Advisor to Northam Holdings and Northam



Attorneys to Northam Holdings and Northam



Equity Sponsor to Northam Holdings and Debt Sponsor to Northam

