

MERAFE RESOURCES LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003452/06)

Share Code: MRF

ISIN: ZAE000060000

("Merafe" or the "Company")

PRODUCTION REPORT AND TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

1. Production Report

Merafe's attributable ferrochrome production from the Glencore Merafe Chrome Venture for the six months ended 30 June 2022 marginally increased by 1.7% compared to the prior comparative period. The improvements in plant efficiencies achieved at our smelters continue to be sustained.

	Six months ended 30 June 2022	Six months ended 30 June 2021
Attributable ferrochrome production (kt)	203	199

2. Trading Statement*Basic earnings and headline earnings per share*

In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, issuers are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on will differ by at least 20% from those of the prior comparative period.

Shareholders are hereby advised that for the six months ended 30 June 2022, Merafe is expecting to report:

- basic earnings per share ("**EPS**") of between 34.7 cents and 39.3 cents compared to EPS of 23.0 cents for the prior comparative period, which is an improvement of between 50.9% to 70.9%; and
- headline earnings per share ("**HEPS**") of between 34.7 cents and 39.3 cents, compared to 23.2 cents for the prior comparative period, which is an improvement of between 49.5% and 69.5%.

The expected increase in EPS and HEPS is primarily driven by higher chrome ore and ferrochrome prices and a weaker average Rand:US\$ exchange rate.

Expected cash and debt balances – Merafe Resources Limited Group

	30 Jun 2022 R'm	31 Dec 2021 R'm
Cash and cash equivalents balance	1 015	972
Net cash/(debt)	1 015	972

Included in the cash and cash equivalents for the current reporting period is R194 million which has been ring-fenced for rehabilitation obligations (31 Dec 2021: R189 million). As in the prior comparative period, the Company had no debt at period end.

Shareholders are advised that the financial information on which this announcement is based, has not been reviewed or reported on by Merafe's external auditors. The financial results for the six months ended 30 June 2022 are expected to be released on SENS on or about 23 August 2022.

Sandton
26 July 2022

Sponsor
One Capital