

MERAFE RESOURCES LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1987/003452/06)

JSE and A2X share code: MRF

ISIN: ZAE000060000

(“**Merafe**” or the “**Company**”)

CONTRIBUTION OF NEW PGM PRODUCTION PLANTS

Shareholders of Merafe (“**Shareholders**”) are referred to the announcement published by the Company on SENS on 14 January 2022 wherein Shareholders were advised that, *inter alia*, Merafe and Glencore Operations South Africa Proprietary Limited (“**Glencore SA**”), (collectively, the “**Parties**”) had entered into an agreement to contribute to the Glencore Merafe Chrome Venture (“**JV**”), a new Platinum Group Metal (“**PGM**”) production plant, constructed at the Kroondal Mine (“**Western PGM Plant**”) (“**Initial PGM Venture**”).

The Initial PGM Venture has been successful and profitable for the JV, and the Parties intend to replicate this strategy on the JV’s eastern chrome mine operations. Accordingly, Shareholders are advised that Merafe and Glencore SA have reached an agreement to further contribute to the JV the PGM production plant located at the Thorncliffe Mine, which the Parties further intend to improve and expand (“**Eastern PGM Plant**”).

The Eastern PGM Plant’s main operations will be the treatment of PGM-bearing material relevant to the eastern chrome mine operations and as agreed between the Parties.

Similar to the Western PGM Plant, the operations of the Eastern PGM Plant are governed by the existing unincorporated JV’s notarial pooling and sharing agreement between Merafe and Glencore SA (“**JV Agreement**”).

The total capital and costs relating to the improvement and expansion of the Eastern PGM Plant attributable to Merafe are expected to be c. R117 million.

The independent members of the Merafe board of directors confirm that the terms relating to the contribution of the Eastern PGM Plant into the JV are in accordance with the JV Agreement and were concluded on an arm’s length basis.

Sandton

7 September 2023

Sponsor

One Capital