

MANTENGU MINING LIMITED
Incorporated in the Republic of South Africa
(Registration number 1987/004821/06)
Share code: MTU ISIN: ZAE000320347
("Mantengu" or "the Company")

MEERUST CHROME PROPRIETARY LIMITED ACQUISITION OF MINING RIGHT

1. Introduction

Shareholders are referred to the announcements released on SENS on:

- 1.1 13 May 2024 wherein it was advised, *inter alia*, that:
 - 1.1.1 the Company had entered into a sale of shares agreement dated 10 May 2024 with Birca Investments Proprietary Limited and SA Metals and Fossils Proprietary Limited for the acquisition of the entire issued share capital of Birca Copper and Metals Proprietary Limited ("**BCM**") for the consideration of R29,887,000 subject to the fulfillment of certain conditions;
 - 1.1.2 prior to the Signature Date, New Venture Mining Investment Holdings Proprietary Limited ("**NVMIH**") and BCM had entered into:
 - 1.1.2.1 an agreement bearing the title "Transfer of Mining Right Agreement" in terms of which NVMIH would sell and transfer to BCM the Mining Right on the terms and subject to the conditions therein contained ("**Transfer of Mining Right Agreement**"); and
 - 1.1.2.2 an agreement in terms of which BCM would be entitled to mine in the Mining Area pending transfer of the Mining Right to BCM under the Transfer of Mining Right Agreement ("**Contractorship Agreement**");
- 1.2 2 August 2024 wherein it was advised, *inter alia*, that NVMIH had cancelled the Transfer of Mining Right Agreement and the Contractorship Agreement with BCM.

2. Acquisition of Mining Right

2.1 Introduction

- 2.1.1 The Board is pleased to advise shareholders that Meerust Chrome Proprietary Limited ("**Meerust Chrome**"), a wholly owned subsidiary of Mantengu, entered into a transfer of mining right agreement dated 6 August 2024 ("**Signature Date**") with NVMIH ("**Seller of the Mining Right**"), being the registered and 100% beneficial owner of the Mining Right on the Mining Right Signature Date, for the acquisition of the Mining Right ("**NVMIH Mining Right Agreement**") for the consideration detailed in paragraph 2.4 below, subject to the fulfilment of the Conditions set out in paragraph 2.3 below ("**NVMIH Mining Right Acquisition**"). The Seller of the Mining Right is not a related party to Mantengu.

NVMIH is wholly owned by Thayang Godfrey Mocwane.
- 2.1.2 Contemporaneously with the NVMIH Mining Right Agreement, Meerust has entered into a sale and contractorship agreement dated 6 August 2024 with NVMIH in terms of which Meerust is entitled to mine and process chrome ore ("**Sale and Contractorship Agreement**") until the successful transfer of the Mining Right from NVMIH to Meerust as detailed in paragraph 2.3.1.2 below.

2.2 Rationale

Given the cancellation of the Transfer of Mining Right Agreement by NVMIH as referred to in paragraph 1.2 and in order to protect Mantengu's historical investment into BCM, the board of Meerust Chrome entered into negotiations with NVMIH to secure the Mining Right.

2.3 Conditions

2.3.1 The NVMIH Mining Right Agreement (save for the Surviving Provisions as referred to therein, which shall be of immediate force and effect), is subject to the fulfilment or waiver of the conditions set out in paragraphs 2.3.1.1 and 2.3.1.2 below:

2.3.1.1 Conditions precedent

On or before 10 business days after the NVMIH Mining Right Agreement Signature Date, the boards of directors of each of the Meerust and NVMIH ("**Parties**") (i) approving the terms and conditions of the transfer of the Mining Right contemplated in the NVMIH Agreements; (ii) confirming and ratifying the authority of the individual signatories to the NVMIH Agreements; and (iii) confirming that each of the Parties are bound by the terms and conditions of the NVMIH Agreements.

2.3.1.2 Conditions subsequent

By no later than 18 months after the NVMIH Mining Agreement Signature Date ("**Longstop Date**"), the receipt of all regulatory approvals, to the extent required, including but not limited to the written consent of the Minister of Mineral Resources and Energy in terms of Section 11 of the Mineral and Petroleum Resources Development Act, 28 of 2002 ("**Section 11 Consent**").

2.3.2 Each Party shall use its reasonable endeavours to procure the fulfilment or, where applicable, waiver of the aforementioned Conditions.

2.3.3 The Parties may agree in writing to the extension of the date of fulfilment of the Conditions.

2.4 Consideration

2.4.1 The cash consideration for the transfer of the Mining Right is R7,000,000.

2.4.2 The cash consideration of R7,000,000 will be paid as follows:

2.4.2.1 a deposit of R3,500,000 ("**Deposit**") was paid to NVMIH on the Signature Date; and

2.4.2.2 R3,500,000, upon receipt of the Section 11 Consent or, in the event that the Section 11 Consent is not received by the Longstop Date, or such extended date as agreed to in writing by the Parties.

2.4.3 R10,300,000 in respect of the Sale and Contractorship Agreement will be paid to NVMIH in six equal instalments beginning September 2024.

2.5 Effective Date

The Effective Date of the NVMIH Mining Right Acquisition is the date upon which the Conditions have been fulfilled, or waived, as the case may be.

2.6 Financial information

Due to the nature of the transaction, being the acquisition of the Mining Right, there is no historical information relating to the financial position and performance.

2.7 Warranties

The NVMIH Mining Right Agreement contains warranties that are customary for a transaction of this nature.

3. Categorisation of the NVMIH Mining Right Acquisition

Due to its relative size, the NVMIH Mining Right Acquisition falls below the threshold of a categorised transaction in terms of the Listings Requirements of the JSE and its announcement is therefore voluntary.

Johannesburg
8 August 2024

Designated Adviser
Merchantec Capital