

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

The definitions and interpretations commencing on page 18 of this Circular apply, *mutatis mutandis*, throughout this Circular including this cover page.

**ACTION REQUIRED:**

Shareholders are referred to page 4 of this Circular which sets out the detailed action required by both Certificated and Dematerialised Shareholders.

If you are in any doubt as to the action you should take in relation to this Circular, please consult your CSDP, Broker, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all of your Shares, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker, attorney, accountant or other agent through whom the disposal was effected.

**DISCLAIMER:**

All corporate actions arising from the provisions of this Circular and the Form of Instruction shall be governed by and be subject to the laws of South Africa.

The distribution of this Circular, the Form of Instruction, the Letters of Allocation (and the renunciation and transfer thereof), and/or the rights to subscribe for the Rights Offer Shares in jurisdictions other than South Africa may be restricted or affected by the laws of such jurisdiction, and failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction.

Non-resident Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions in relation to the Rights Offer and in respect of all aspects of this Circular that may affect them. It is the responsibility of any foreign Shareholder to satisfy itself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Rights Offer, including but not limited to: the obtaining of any governmental, exchange control or other consent; the making of any filings which may be required; the compliance with other necessary formalities the payment of any issue, transfer or other taxes or requisite payments due in such jurisdiction. The Rights Offer is further subject to any applicable laws and regulations of South Africa, including the Act, the JSE Listings Requirements and the Exchange Control Regulations. Any foreign Shareholder who is in doubt as to its position, including without limitation its tax status, should consult an appropriate independent professional adviser in the relevant jurisdiction without delay. The Company and its Directors accept no responsibility for the failure by any Shareholder to inform itself about, or to observe, any applicable legal requirements in any relevant jurisdiction, nor for any failure by the Company to observe the requirements of any jurisdiction.

Non-resident Shareholders are referred to paragraph 7 of this Circular setting out certain Exchange Control Regulations and other restrictions which may be relevant to them.

The Letters of Allocation and the Rights Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state and other securities laws of the United States. There will be no public offer of the Letters of Allocation and the Rights Offer Shares in the United States. The Letters of Allocation and the Rights Offer Shares are being offered and sold in offshore transactions in compliance with Regulation S of the U.S. Securities Act ("Regulation S") and within the United States to a limited number of qualified institutional buyers ("QIBs") as defined in Rule 144A of the U.S. Securities Act ("Rule 144A") pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Any person in the United States acquiring the Letters of Allocation or the Rights Offer Shares must execute and deliver to the Company an investor letter satisfactory to the Company to the effect that such person and any account for which it is acquiring the Letters of Allocation or the Rights Offer Shares is a QIB within the meaning of Rule 144A and satisfies certain other requirements. Purchasers are hereby notified that the Company and other sellers of the Letters of Allocation and Rights Offer Shares may be relying on an exemption from the registration requirements of Section 5 of the U.S. Securities Act.

The Letters of Allocation and the Rights Offer Shares will also not be registered under the securities laws of any Excluded Territories and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption. In particular, and subject to certain exceptions, this Circular, the accompanying Form of Instruction and any other such documents should not be distributed, forwarded to or transmitted in or into the United States or the other Excluded Territories.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer. In those circumstances or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of South Africa are restricted or prohibited by the laws of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.



**Royal Bafokeng Platinum Limited**

(Incorporated in the Republic of South Africa)

(Registration number 2008/015696/06)

JSE share code: RBP ISIN: ZAE000149936

Bond code: RBPCB ISIN: ZAE000243853

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## CIRCULAR TO SHAREHOLDERS

Relating to:

**a renounceable Rights Offer to Shareholders of 46 777 694 Shares at the Rights Offer Issue Price of R22.00 per Share, in the ratio of 1 Rights Offer Share for every 4.5 Shares held at the close of business on Friday, 15 March 2019;**

and enclosing:

**a Form of Instruction in respect of a Letter of Allocation (to be completed by Certificated Shareholders only).**

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**Rights Offer opens at 09:00 on**

**Monday, 18 March 2019**

**Rights Offer closes at 12:00 on**

**Friday, 29 March 2019**

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**Corporate Advisor and Transaction Sponsor**



**JSE Sponsor**



A subsidiary of  
Bank of America Corporation

**Transfer Secretaries**



**South African Legal Advisor**



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**Date of issue: 11 March 2019**

*This Circular is available in English only. Copies of this Circular may be obtained during normal business hours from the registered office of the Company and from the offices of Questco, whose addresses are set out in the "Corporate Information and Advisors" section of this Circular from the date of issue of the Circular until the date the Rights Offer closes (both days inclusive). A copy of this Circular will also be available on the Company's website ([www.bafokengplatinum.co.za](http://www.bafokengplatinum.co.za)) from the date of issue of the Circular.*

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## **FORWARD-LOOKING STATEMENT DISCLAIMER**

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This Circular may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements included in this Circular reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements included in this Circular are made only as at the Last Practicable Date, and RBPlat undertakes no obligation and does not intend to update publicly or release any revisions to these forward-looking statements.

The forward-looking statements contained in this Circular have not been reviewed nor reported on by the Company’s auditors.

Many factors could cause RBPlat’s actual performance, results or achievements to be materially different from any future performance, results or achievements that may be expressed or implied by such forward-looking statements.

These factors include, *inter alia*:

- PGM and base metal production;
- PGM and base metal prices;
- fluctuation in exchange rates;
- production costs and efficiencies, including the costs of compliance with applicable laws and regulations;
- operational risks relating to production and logistics;
- the ability of the Company to implement its strategy, including the ramp-up of Styl drift I;
- estimates of the Company’s mineral resources and reserves;
- the operation of the concentrator plant acquired pursuant to the Plant Transaction;
- inflation;
- the occurrence of labour disruptions, industrial actions and/ or incidents of community unrest;
- the occurrence of work stoppages related to health and safety incidents;
- economic, political or social instability affecting South Africa; and
- capital expenditure required for its operations.

### **INFORMATION REGARDING THE CORPORATE ADVISOR**

Questco is acting exclusively for RBPlat and for no other party in connection with the matters described in this Circular, and is not, and will not be, responsible to any party other than RBPlat for providing the protections afforded to its clients nor for providing advice in connection with the matters set out in this Circular (save for its obligations as Transaction Sponsor in terms of the JSE Listings Requirements).

As indicated in this Circular, Questco fulfils the functions of Corporate Advisor and Transaction Sponsor to RBPlat. It is Questco’s opinion that the performance of these functions does not represent a conflict of interests for Questco, impair Questco’s independence from RBPlat or impair Questco’s objectivity in its professional dealings with RBPlat or in relation to the Rights Offer.

### **DATE OF INFORMATION PROVIDED**

Unless the context clearly indicates otherwise, all information provided in this Circular is provided as at the Last Practicable Date.

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## CORPORATE INFORMATION AND ADVISORS

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### **Directors:**

#### **Independent Non-Executive**

Advocate KD Moroka SC (*Chairman*)  
PJ Ledger  
ZJ Matlala  
MJ Moffett  
TM Mokgosi-Mwantembe  
MH Rogers  
L Stephens

#### **Non-Executive**

O Phetwe  
DR Wilson  
GL Smith  
A Moodley

#### **Executive**

DS Phiri (*Chief Executive Officer*)  
HA Rossouw (*Chief Financial Officer*)

#### **Corporate Advisor and Transaction Sponsor**

Questco Proprietary Limited  
(Registration number 2002/005616/07)  
1st Floor, Yellowwood House  
Ballywoods Office Park  
33 Ballyclare Drive  
Bryanston, 2191

#### **South African Legal Advisor**

Bowman Gilfillan Inc.  
(Registration number 1998/021409/21)  
11 Alice Lane  
Sandton, 2146  
(PO Box 785812, Sandton, 2146)

### **Company Secretary and registered address**

Lester Jooste (ACIS)  
The Pivot  
Block C, 4th Floor  
No 1 Montecasino Boulevard  
Fourways, 2055  
(PO Box 2283, Fourways, 2055)

### **Date and place of incorporation**

1 July 2008 – South Africa

### **Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
(Registration number 2004/003647/07)  
Rosebank Towers  
15 Biermann Avenue  
Rosebank, 2196  
(PO Box 61051, Marshalltown, 2107)

### **JSE Sponsor**

Merrill Lynch South Africa Proprietary Limited  
(Registration number 1995/001805/07)  
The Place, 1 Sandton Drive  
Sandhurst, 2196  
Johannesburg, South Africa  
(PO Box 651987, Benmore, 2010, South Africa)

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## **ACTION REQUIRED BY SHAREHOLDERS**

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### **Please take careful note of the following provisions regarding the action required by Shareholders**

1. If you are in any doubt as to what action to take, you should consult your CSDP, Broker, banker, accountant, attorney or other professional adviser immediately.
2. If you have disposed of all your Shares, please forward this Circular and the accompanying Form of Instruction to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
3. Shares in companies listed on the JSE can no longer be traded on the JSE unless they have been Dematerialised onto the Strate system. It is therefore suggested that Certificated Shareholders Dematerialise their Documents of Title and replace them with electronic records of ownership. In this regard, Shareholders may contact either a CSDP or Broker, details of which are available from Strate at [liaisondesk@strate.co.za](mailto:liaisondesk@strate.co.za) or telephone (011) 759 5300 or facsimile (011) 759 5503.
4. Certificated Shareholders wishing to Dematerialise their Shares are advised that the Dematerialisation process can take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.
5. The Rights that are represented by Letters of Allocation are valuable and may be traded on the JSE. Letters of Allocation can, however, only be traded in Dematerialised form and accordingly, all Letters of Allocation will be issued in Dematerialised form.

### **Qualifying Dematerialised Shareholders**

Qualifying Dematerialised Shareholders:

1. will NOT receive a "printed" Form of Instruction, but will have their accounts updated with their Rights Offer Entitlement by their CSDP or Broker;
2. should timeously instruct their CSDP or Broker as to whether they wish to subscribe for all or part of their Rights Offer Entitlement, sell all or part of their Rights Offer Entitlement or renounce all or part of their Rights Offer Entitlement, in the manner and time stipulated in the Custody Agreement;
3. who do not issue instructions to their CSDP or Broker, will result in the CSDP or Broker acting in accordance with the Custody Agreement;
4. should note that RBPlat assumes no responsibility and will not be held liable for any failure on the part of their CSDP or Broker to notify them of the Rights Offer and to receive instruction in regard thereto;
5. who do not take up their Rights will continue to own the same number of Shares, but their percentage holding in RBPlat will be diluted. Subject to exceptions applicable to those Shareholders domiciled in Excluded Territories, Rights not exercised will be deemed to have been declined and will lapse and the relevant Qualifying Shareholder shall not receive any economic benefit in respect of such lapsed Rights.

### **Qualifying Certificated Shareholders**

Qualifying Certificated Shareholders:

1. will have their Letter of Allocation created in electronic form with the Transfer Secretaries to ensure that Certificated Shareholders have the same rights and opportunities in respect of the Rights Offer as Dematerialised Shareholders;
2. will receive a printed Form of Instruction in relation to the Letter of Allocation, providing for the subscription for all or part of their Rights Offer Entitlement, sale of all or part of their Rights Offer Entitlement or renouncement all or part of their Rights Offer Entitlement and must act in accordance with the instructions thereon; and

3. who wish to subscribe for all or part of their Rights Offer Entitlement, must complete blocks 5 and 6 of the Form of Instruction in accordance with the instructions contained therein, attach their cheques, bankers' draft or EFT Reference Document reflecting the appropriate amount and lodge same with the Transfer Secretaries in the manner as set out below so as to reach the Transfer Secretaries by no later than 12:00 on Friday, 29 March 2019:

**By hand to:**

Royal Bafokeng Platinum Limited  
c/o Computershare Investor Services  
Proprietary Limited  
Rosebank Towers  
15 Biermann Avenue  
Rosebank, 2196

**By post to:**

Royal Bafokeng Platinum Limited  
c/o Computershare Investor Services  
Proprietary Limited  
PO Box 61763  
Marshalltown, 2107

**By email to:**

corporate.events@computershare.co.za

(EFTs to be made into the Designated Bank Account, details of which are available from the corporate actions department of the Transfer Secretaries (+27 (0) 861 100 634) for the appropriate amount).

4. will receive Share certificates in respect of the Rights Offer Shares;
5. will only be able to trade their Rights Offer Shares on the JSE once they have been Dematerialised; this could take between 1 (one) and 10 (ten) days, depending on the volume being processed at the time;
6. who wish to sell all or part of their Rights Offer Entitlement, must complete Form A of the enclosed Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than 12h00 on Tuesday, 26 March 2019;
7. who wish to renounce their Rights Offer Entitlement in favour of any named Renounee must complete Form B on the enclosed Form of Instruction and the Renounee must complete Form C on the enclosed Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than 12:00 on Friday, 29 March 2019, together with a cheque, bankers draft or EFT Reference Document indicating the EFT payment for the appropriate amount;
8. who do not take up their Rights will continue to own the same number of Shares, but their percentage holding in RBPlat will be diluted. Subject to exceptions applicable to those Shareholders domiciled in Excluded Territories, the allocated Rights in respect of such Restricted Shareholders shall revert to the Company which shall be entitled to sell or place the same on the Restricted Shareholders' behalf or failing which such Rights will lapse.

The Transfer Secretaries will endeavour to procure the sale of the Rights Offer Entitlement on the JSE on behalf of such Qualifying Certificated Shareholders and will remit the proceeds in accordance with the payment instructions reflected in the Form of Instruction, net of brokerage charges and associated expenses. Please note that the closer to this deadline that you instruct the Transfer Secretaries to sell your Rights Offer Entitlement, the less opportunity the Transfer Secretaries will have to sell your rights on the JSE at a profit or at all. In this regard, neither the Transfer Secretaries, nor any Broker appointed by it nor RBPlat will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such rights.

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## RISK FACTORS

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Any reader of this Circular should carefully consider all the information in this Circular, including the following risk factors which the Directors consider to be many of the material risks specific to the Company and/or the industry in which it operates, albeit not an exhaustive list or explanation of all the risks that investors may encounter when making an investment in the Company, the Rights Offer Shares or the Shares, and should be used for guidance only. Additional risks not presently known to the Company, or that the Company currently considers to be immaterial, may also impair the Company's business operations, the Shares or Rights Offer Shares. If any events or circumstances giving rise to any of the following risks, together with possible additional risks and uncertainties of which the Directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's business, financial condition, results or future operations could be materially and adversely affected. In such circumstances, the trading price of the Shares could decline due to any of these risks occurring and investors could lose part or all of their investment.

***Volatility in PGM prices, as well as factors that lead to decreased demand for PGMs, may have a material adverse impact on the Company's financial position and performance.***

The Company's revenues and earnings are dependent upon prevailing prices for PGMs and base metals (such as nickel) found in the concentrate it produces. Each PGM and base metal is globally traded and, consequently, the Company is unable to directly control the prices it receives for them. PGM prices have historically fluctuated widely and are affected by numerous external factors beyond the Company's control.

There are numerous factors outside of the Company's control that may affect the basket price of PGMs, including industrial and retail demand, the availability of substitute metals for industrial uses, sales and purchases of PGMs, forward sales of PGMs by producers and speculators, levels of PGM production, short-term changes in supply and demand because of speculative hedging activities, the strength of the US dollar (the currency in which the price of PGMs is generally quoted), and global macroeconomic or regional political or economic conditions or events, including economic conditions or events in major PGM-producing countries. Any reduction in demand for PGMs could have an adverse affect on the Company's results of operations or financial condition.

The profitability of any future PGM mining operation will be directly related to the then-prevailing basket price of PGMs and also to the relative value of the South African Rand to the US dollar. If PGM basket prices decline for a substantial period below the cost of production at the Company's mines, it may not be economically feasible to start or continue production at such mines. A decline in the prevailing price of PGMs may also require the Company to write-down its mineral resources or any mineral reserves, which would have a material and adverse effect on its earnings and profitability.

As the Company does not currently enter into transactions to hedge against the future price at which its PGM and base metal production is sold and does not expect to in the near future, the Company is not protected against decreases in PGM and base metal prices and if PGM and base metal prices decrease significantly, the Company's revenues and the value of its reserves may be materially adversely affected.

***The PGM mining industry is capital intensive and complex.***

The PGM mining industry is capital intensive and complex. PGM mining requires a substantial amount of funds in order to replenish reserves, expand production capacity, build infrastructure and rehabilitate the environment. Large amounts of capital are required to implement projects, and long-term production and processing requires both significant capital expenditure and ongoing maintenance expenditure. Should the Company encounter difficulties raising debt or equity funding to support future capital expenditures and investments, it may no longer be able to access sufficient mineral resources to continue production at cost-effective levels. Furthermore, any such reduction in capital expenditure may cause the Company to forego some of the benefits of any future increases in commodity prices, as it is generally costly or impossible to resume production immediately or complete a deferred expansionary capital expenditure project, which in the longer term may adversely affect the results of operations or financial condition of the Company.

***The Company's current and future mining operations are, and will be, subject to hazards inherent in the mining industry as part of their business operations.***

The Company's current and future mining operations are, and will be, subject to risks and hazards inherent in the mining industry, including, but not limited to, variations in grade, deposit size, density and other geological problems; hydrological conditions; metallurgical and other processing problems; mechanical equipment performance problems; the unavailability of materials and equipment including, but not limited to, fuel; labour force disruptions (whether lawful or unlawful); reliance upon one or more mining contract companies to perform their contractual duties in a timely manner; unanticipated failure of any mining contract companies to perform for any reason whatsoever; unanticipated transportation difficulties; unanticipated regulatory changes; unanticipated or significant changes in the costs of supplies including, but not limited to, fuel; and adverse weather conditions.

Hazards associated with underground mining include:

- rock bursts;
- underground fires and explosions, including those caused by flammable gas;
- cave-ins or falls of ground;
- discharges of gases and toxic chemicals;
- flooding;
- accidents and injuries; and
- other conditions resulting from drilling, blasting and removal and processing of material associated with hard rock underground mining.

The occurrence of one or more of these events may result in the death of, or personal injury to, personnel, the loss of mining equipment, damage to or destruction of mineral properties or production facilities, reduction in available resources, monetary losses, delays in production, environmental damage and potential legal liabilities. As a result, the Company's operations could be affected, and its financial position could be adversely impacted.

PGM reserve figures are estimated based on a number of assumptions, including assumptions as to mining and recovery factors, future cash costs of production and the price of PGMs and may yield less PGMs under actual production conditions than currently estimated.

The Company reports mineral resources and reserves in accordance with the SAMREC Code. Mineral resource and reserve estimates are subject to independent third-party review on at least a three-year cycle. The methodology for estimating mineral resources and mineral reserves may be updated over time and is reliant on certain assumptions being made. Declared mineral resources and reserves are best estimates that may change as new information becomes available. Consequently, the Company's mineral resource and mineral reserves estimates may be revised upwards or downwards, which may in turn have an impact on its life of mine plans.

In respect of these estimates, no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realised or that mineral reserves can be mined or processed profitably. Actual reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may be below the estimated levels. Lower market prices, increased production costs, reduced recovery rates and other factors may render the Company's reserves uneconomic to exploit and may result in the revision of its reserve estimates from time to time. Reserve data is not indicative of the future results of operations. If the Company's actual mineral reserves and mineral resources are less than current estimates, the Company's business, results of operations and financial condition may be materially and adversely affected.

***Currency fluctuations may adversely affect the Company's profits.***

The Company generates revenues through the sale of its concentrate, payment for which is based on a basket price comprising market PGM and base metal prices. Under the Company's offtake agreement with RPM, PGM and base metal prices used in the calculation of the concentrate payment are based on the average daily rates for the third month following the month of delivery. PGMs and other base metals widely mined in South Africa are sold throughout the world based principally on a U.S. dollar price. The Company receives payment for its concentrate in U.S. dollars, and as such a weak U.S. dollar will result in relatively lower revenues for the Company.

In addition, the majority of the Company's expenses (including mining, processing, drilling, salaries and other exploration costs) are incurred in Rand, while others (including imported parts such as shaft winders and flotation cells for the concentrator plant) are incurred in U.S. dollars. The Company does not hedge against its currency exposure and as a result, any significant recovery or appreciation of the Rand against the U.S. dollar would have the potential to reduce the Company's profits. Such currency fluctuations could materially and adversely affect the Company's profitability, results of operations and financial condition.

***Mining activities create and increase the risk of environmental hazards as a result of the processes and chemicals used in the extraction and production methods.***

Mining activities are generally subject to environmental hazards, as a result of the processes and chemicals used in the extraction and production methods. In particular, PGM mining companies transport, use and dispose of hazardous substances, such as acids used at its concentrator plant, which give rise to the risk of spillage or seepage in areas where there could be damage or harm caused to the environment and/or to the public. Environmental hazards may exist on mining companies' properties, or may be encountered while their products are in transit, which are currently unknown to them or may arise irrespective of such compliance. In addition, the storage of tailings may present a risk to the environment, property and persons.

Mining companies may be liable for losses associated with environmental hazards or pollution; have licences and permits withdrawn or suspended; or may be forced to undertake extensive remedial clean-up action or pay for government-ordered remedial clean-up actions. This may be the position in certain circumstances even in cases where such hazards have been caused by any previous or subsequent owners or operators of the property, by any past or present owners of adjacent properties or by acts of vandalism by trespassers. Any such losses, withdrawals, suspensions, actions or payments may have a material adverse effect on the Company's business, results of operations and financial condition.

***The Company's property is subject to environmental legislation, compliance with which could involve substantial costs.***

The Company's operations are subject to South African environmental legislation and regulations, specifically the Mineral and Petroleum Resources Development Act, 2008 ("**MPRDA**") and the National Environmental Management Act, 1998 ("**NEMA**"). Of these, the provisions of NEMA are particularly far-reaching, especially section 28 thereof, which states that every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable steps to prevent such pollution or degradation from occurring, continuing or recurring, or insofar as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment. Legal commentators have suggested that section 28 of NEMA may have introduced the principle of strict liability with respect to the causation of environmental impacts. The reach of the relevant provisions of NEMA, however is still to be interpreted by the South African courts.

Under the MPRDA, companies that undertake mining activities must make financial provision for rehabilitation liabilities to the satisfaction of the DMR. Directors of companies may also be held jointly and severally liable for any unacceptable negative impact on the environment, including damages caused by the company which they represent.

Under the National Water Act, 1998 ("**NWA**"), the owner of land and controllers or occupiers of land on which any activity or process is or was performed or undertaken or on which any situation exists that causes, has caused or is likely to cause the pollution of a water resource, must take all reasonable measures to prevent such pollution from occurring, continuing or recurring.

The Department of Water Affairs ("**DWA**") may issue administrative directives to enforce the provisions of NEMA and the NWA to take specific anti-pollution measures, continue with those measures and/or to complete those measures. In addition to this, it can order the suspension of part or all of a company's operations if there is non-compliance. Contravention of these acts is also an offence and an offender may be liable for a fine or imprisonment.

In addition, mining companies operating in South Africa are subject to extensive environmental laws and regulations with respect to environmental matters such as:

- limitations on land use;
- mine permitting and authorisation requirements;
- reclamation and restoration of mining properties after mining is completed;
- management of materials generated by mining operations;

- the storage, treatment and disposal of wastes;
- remediation of contaminated soil and groundwater;
- air quality standards;
- water pollution;
- protection of human health, plant life and wildlife, including endangered or threatened species;
- protection of wetlands;
- the discharge of materials into the environment;
- the effects of mining on surface water and groundwater quality and availability; and
- the management of structures and equipment containing polychlorinated biphenyls.

The costs associated with compliance with these laws and regulations are substantial, and possible future laws and regulation and/or changes to existing laws and regulations (including the imposition of higher taxes and mining royalties) could cause additional expense and capital expenditures. It could also cause restrictions on or suspensions of the Company's operations and delays in the development of its mining assets. Moreover, these laws and regulations may allow governmental authorities and private parties, who have a substantial and direct interest in the mining operations or the consequences of the mining operations, to bring lawsuits based upon damages to property and injury to persons resulting from the environmental and health and safety impacts of the Company's past and current operations. Furthermore, this could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions.

Environmental laws and regulations change frequently and are generally becoming more stringent. If the Company's environmental compliance obligations in South Africa were to vary as a result of changes to the legislation, or if certain assumptions it makes to estimate liabilities are incorrect, or if unanticipated conditions were to arise in its operations, the Company's expenses and provisions would increase, which could adversely affect operating results and financial condition.

The Company's exposure to environmental liability in South Africa is determined in the first place by reference to the approved environmental management programmes ("**EMPs**"), which the Company was obliged to develop for its operations. The process in place requires mining companies, as a prerequisite for applications for mining rights and prospecting (exploration) rights, to submit EMPs and environmental management plans, respectively, to the regulator for approval. Once so approved, the mining company is obliged to comply with the approved EMP when prospecting or mining. Further, under South African mining legislation, funding for environmental rehabilitation at mine closure has to be provided as a prerequisite for the granting of mining rights. The quantum of this funding is reviewed each year. The funding is placed at the disposal of the regulator if a mining company becomes insolvent, so that environmental rehabilitation can take place notwithstanding such insolvency. The mining company's liability, is not limited to the amount of funding that has been set aside. Environmental and health and safety legislation is evolving in a manner requiring stricter standards, and these standards are taken into account when compiling EMPs. The Department of Mineral Resources ("**DMR**") is the lead government agency when it comes to enforcement of compliance with EMPs. The Company incurs substantial costs to ensure compliance with the legislation discussed above, which, if such costs were to escalate, could have an adverse effect on the Company's financial condition and results of operations.

***Mining companies are subject to complex and frequently changing regulatory oversight.***

As a result, the Company may be unable to obtain, maintain or renew permits, licences and mining rights necessary for its future operations, which could materially reduce its production, cash flow and profitability.

Mining companies must obtain a number of permits, licences and mining rights that impose strict regulations on various environmental and operational matters in connection with PGM mining. These include permits issued by various governmental agencies and regulatory bodies. The permitting rules, and the interpretations of these rules, are complex, subject to amendment, are often subject to discretionary interpretations by the regulators and the grant and transfer of such permits, licences and rights are frequently subject to administrative delay, all of which may make compliance difficult, and may possibly preclude the continuance of ongoing operations or the development of future mining operations. Accordingly, requisite permits, licences and rights may not be issued or renewed in a timely fashion, or at all, or if issued or renewed may be conditional in a manner that may restrict the Company's ability to efficiently and economically conduct its mining activities, any of which would materially reduce the Company's production, cash flow, and profitability and have an adverse effect on the Company's financial condition and results of operations.

***Development of new PGM resources may not be successful.***

Development of new PGM resources involves significant risk, as few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and constructing mining and processing facilities at a site. Even if an exploration programme is successful and economically recoverable PGMs are found, it can take a number of years from the initial phases of drilling and identification of the mineralisation until production is possible, during which time the economic feasibility of extraction may change and PGMs that were economically recoverable at the time of discovery.

***The Company may not be able to achieve its growth strategy, which could affect cash flow and profitability.***

The successful implementation of the Company's growth strategy depends upon a number of factors, including factors that are outside its control. The ability to grow the business will depend on the successful implementation of the Company's existing and proposed project development initiatives on the Styldrift property. The extraction of PGM deposits for mineral production, especially under the planned Styldrift expansion, may be subject to unexpected problems or delays during development, construction and mine ramp-up as a result of a failure to obtain sufficient electricity for the project, poor geology, inadequate recovery rates, capital expenditure requirements and availability of funding, the Rand/U.S. dollar exchange rate, environmental and other regulations, infrastructure requirements and availability and other issues outside of the Company's control. Such problems may result in delays in the commencement of mineral production. The Company cannot give any assurance that unforeseen difficulties, delays or costs will not adversely affect the successful implementation of its business strategy, or that its strategy will result in the anticipated benefits. Accordingly, the Company's future development activities may not result in the expansion or replacement of current production with new production at equivalent profitability to what is currently being achieved, which could materially and adversely affect the Company's financial position and results of operations.

***The Company may not be able to achieve its production and cost estimates.***

The Company cannot guarantee that actual future production or actual future costs will not differ materially from forecasts for any number of reasons, including operational difficulties, unexpected changes in the cost of key inputs, labour disruption, permitting issues, opposition to mining activities and the other risks described in, or incorporated by reference into, this Circular. In particular, as is common to mining companies in South Africa, the Company faces significant above-inflation wage increases. A decrease in the amount of, or a change in the timing of the production, or in the prices realised for, metals produced by the Company, or an increase in actual capital or operating costs, particularly in relation to the production of PGMs and base metals, will directly affect the amount and timing of the Company's cash flow from operations, its revenue and its profitability and could materially and adversely affect the Company's financial position and results of operations. The actual effect of such a decrease on the Company's cash flow from operations or profitability would depend on the timing of any changes in production and on actual prices and costs. Any change in the timing of receipt of revenue and cash would result in delays in using such cash to fund capital expenditures, including capital for the Company's development projects in the future. Any such financing requirements could adversely affect the Company's ability to access capital markets in the future to meet any external financing requirements or increase its debt financing costs, which could have an adverse effect on the Company's results of operations and financial position.

***The Company's business strategy requires substantial planned capital expenditure.***

The mining business is capital intensive, and the development and exploitation of PGM reserves, the conversion of resources and the acquisition of machinery and equipment require substantial capital expenditure. Some of the Company's expansion plans may require greater investment than currently planned. Although the Company is of the opinion that it has sufficient working capital for its present requirements (that is, for at least the next 12 months) and a conservative capital structure, there can be no assurance that, in the longer term, the Company will be able to maintain its current production levels and generate sufficient cash flow, or that the Company will have access to sufficient investments, loans or other financing alternatives, at all or on commercially satisfactory terms to enable it to continue its exploration, exploitation, development and processing activities at or above present levels. If the Company does not have sufficient capital to implement its planned expansion, this could have an adverse affect on the Company's financial position and results of operations.

***The Company depends on its management team and contractors.***

The Company's business depends in significant part upon the contributions of a number of its key personnel, in particular its senior management team and contractors, including engineers and geologists. The loss of any of the Company's key management or contractors could have an adverse effect on its business unless and until a suitable replacement is found. A limited number of persons exist with the requisite experience and skills to serve in the Company's senior management or contractor positions. The Company may not be able to locate or employ qualified executives on acceptable terms. In addition, the Company believes that its future success will depend on its continued ability to attract and retain highly skilled personnel with PGM mining experience. Future planned mine development will also require retraining of some of the mine workforce for different mining methods or hiring of workers with the necessary skills. As a public company, the Company's future success will also depend on its ability to hire and retain management with public company experience.

There can be no certainty that the services of its key personnel will continue to be available to the Company. Moreover, the Company competes with mining and other companies to attract and retain personnel at all levels with appropriate technical skills and operating and managerial experience necessary to continue to operate its business. The Company's future success will be dependent on its ability to attract and retain qualified personnel. Factors critical to both retaining the Company's present staff and attracting additional qualified personnel include its ability to provide these individuals with competitive compensation arrangements. If the Company is not successful in retaining or attracting highly qualified individuals in key management positions and highly skilled contractors including engineers and geologists, its business, results of operations and financial position may be adversely affected.

***Labour disruptions and/or increased labour costs could have an adverse effect on the Company's operating results and financial condition.***

Trade unions have a significant impact on the Company's labour relations, as well as on social and political reforms. Approximately 79 percent of the Company's permanent workforce is unionised, with the National Union of Mineworkers ("**NUM**") representing the majority of unionised workers. Many of the employees of the Company's contractors are also members of trade unions.

It has become established practice in South Africa to negotiate wages and conditions of employment with the unions at least every two years through the Chamber of Mines of South Africa. An agreement was signed with the unions applicable to the Company in July 2014, following negotiations mainly with NUM. A five-year deal was reached without any industrial action. The next round of negotiations is expected to take place in mid-2019. Although the Company always endeavours to negotiate fair and market related wages, the Company cannot give assurance that it will be able to renegotiate this agreement on satisfactory terms when it expires.

Labour costs represent a substantial proportion of the Company's total operating costs and is its single largest operating cost category. Any above-inflation increases in labour costs have to be offset by greater productivity efforts by all operations and employees.

There is a risk that strikes or other types of conflict with unions or employees may occur at the Company's operations at any time. It is uncertain whether labour disruptions will be used to advocate labour, political or social goals in the future. Material labour disruptions could have an adverse effect on the Company's results of operations and financial condition.

The business of mining PGMs involves a number of risks and hazards, not all of which are fully covered by insurance. The occurrence of events for which the Company is not insured or for which its insurance is inadequate may adversely affect its cash flows and overall profitability.

Although the Company maintains insurance in an amount that it considers to be adequate, liabilities might exceed policy limits. This insurance is maintained in amounts that the Company believes to be reasonable, depending upon the circumstances surrounding each identified risk. However, the Company's insurance does not cover all potential risks associated with its business. Insurance fully covering sovereign risk and many environmental risks (including potential liability for pollution or other hazards as a result of disposal of waste products occurring from exploration and production) is not generally available to the Company or to other companies in the mining industry. In addition, the Company may elect not to insure certain risks, due to the high premiums associated with insuring those risks or for various other reasons, including an assessment that the risks are remote. The realisation of any significant liabilities in connection with the Company's mining activities as described above could have a material and adverse effect on its results, operations or financial conditions.

The occurrence of events for which it is not insured may adversely affect the Company's cash flows and overall profitability and its financial condition.

***A significant reduction in purchases by RPM of the Company's PGM concentrate could adversely affect the Company's revenues.***

On 4 July 2018, the Company and RPM entered into a revised offtake agreement, in terms of which RPM, subject to certain conditions:

- (i) is obliged to purchase 50% of the concentrate produced by the mining operation and business of RBPlat, ("**the Combined Mine**"), until 11 August 2022 and thereafter, for a continuous rolling five-year period, unless terminated by RBR giving RPM at least two years' notice of termination; and
- (ii) has a right to purchase a further 50% of the concentrate produced by the Combined Mine, until 11 August 2024 and thereafter, for a continuous rolling five-year period, unless terminated by RPM giving RBR at least two years' notice.

Given RPM's rights as set out in (ii) above, the Company may have to find a third party to smelt and refine up to 50 percent of the concentrate produced by the mine (or 100 percent if RBR exercises its rights to termination as contemplated in (i) above), and any such agreement may be on less favourable terms than those offered under the current arrangement. If RPM were to reduce its commitment to purchase concentrate from RBPlat, RBPlat were to terminate all or part of its rights in respect of the 50% of the concentrate, or if the Company were unable to sell all of its PGM and base metal concentrate on terms similar to those set forth in the existing offtake agreement, the Company's total revenue and profitability could be materially adversely affected. No assurance can be given that RPM will not exercise its option to reduce the amount of concentrate it purchases from the Company or that the Company will find a third party to purchase its concentrate on similar terms.

***RBPlat is reliant on RPM for certain services.***

Notwithstanding that the Joint Venture Agreement entered into between the Company and RPM in respect of the BRPM JV was terminated with effect from 11 December 2018 as result of RBR's acquisition of the RPM Participation Interest, certain service level agreements previously entered into between the Company and RPM will continue for a limited period of time to ensure an uninterrupted continuance of the business. The Company therefore remains reliant on RPM for the provision of such services, for this period.

***A significant reduction in royalties received by the Company from Impala Platinum Holdings Limited may have a negative impact on the Company's financial performance.***

RBPlat (through its subsidiary) and Impala Platinum Holdings Limited ("**Impala**") have concluded agreements allowing Impala to mine certain areas of the RBPlat mining area from Impala's 6, 8 and 20 shafts following optimisation and evaluation studies being undertaken that revealed significant benefits to both parties as well as increased employment opportunities, as a result of the implementation of this agreement.

The receipt of these royalties favourably impact the Company's income and accordingly any reduction in these royalties will result in a negative impact on the Company's income statement.

***The Company is subject to risks associated with litigation proceedings.***

Shareholders were advised in a SENS announcement released by the Company on 20 September 2018 that Africa Wide Mineral Prospecting and Exploration Proprietary Limited ("**Africa Wide**"), which held 17.1% of the shares in Maseve prior to the implementation of the transaction in terms of which RBR acquired all of the outstanding shares in and shareholder loans against Maseve ("**Share Transaction**"), instituted legal proceedings against Platinum Group Metals Limited, the Company and Maseve, in relation to the Plant Transaction and the Share Transaction (together the "**Maseve Transaction**"), in terms of which it seeks to have the Maseve Transaction declared unlawful and invalid, or alternatively to be paid an increased amount for its Maseve shares, which it argues were undervalued. Africa Wide contends that the Maseve Transaction required the consent of Africa Wide in terms of a shareholders' agreement.

The Company has consulted with its legal advisers and senior counsel in respect of Africa Wide's claim, and on the basis of the advice received, is of the view that the claim is weak and that there are strong prospects of successfully defending this matter. However, if the Company is unable to successfully defend the claim, an award in favour of Africa Wide may have a negative impact on and adversely affect the Company's business, operating results and financial condition.

***There are risks associated with investing in South Africa as an emerging market.***

South Africa is generally considered by international investors to be an emerging market. Emerging markets are typically thought to have certain characteristics and be subject to many risks, including:

- adverse changes in economic and governmental policy;
- relatively low levels of disposable consumer income;
- relatively high levels of crime and/or corruption;
- risk of possible land claims;
- relatively unstable institutions;
- unpredictable changes in the legal and regulatory environment;
- inconsistent application of existing laws and regulations; and
- slow or insufficient legal remedies.

The Company cannot assure investors that political, economic, social and other developments in South Africa or other emerging markets will not have a material adverse effect on its business, prospects, financial condition or results of operations.

***Political and economic instability in South Africa or the surrounding region may have an adverse effect on the Company's operations and profits.***

The Company is incorporated and its assets are all located in South Africa. As a result, political and economic risks relating to South Africa could affect an investment in the Company. Large parts of the South African population do not have access to adequate education, healthcare, housing and other services, including water and electricity. Government policies aimed at alleviating and redressing the disadvantages suffered by the majority of citizens under previous governments may have an adverse impact on the Company's operations and profits. In recent years, South Africa has experienced high levels of crime and unemployment. These problems have impeded fixed inward investment into South Africa and have prompted the emigration of skilled workers. As a result, the Company may have difficulties attracting and retaining qualified employees.

There has been regional political and economic instability in the countries surrounding South Africa. Any similar political or economic instability in South Africa could have a negative impact on the Company's ability to manage and operate its South African operations.

***The South African government's transformation initiatives under the MPRDA and Mining Charter may have an adverse impact on the Company.***

The mining industry in South Africa is subject to extensive regulation. Whilst the regulatory environment is developing, it lacks clarity in a number of areas and is subject to interpretation, review and amendment. A current risk pertaining to the mining industry in South Africa is compliance with the black economic empowerment ("**BEE**") requirements as prescribed by the regulatory framework for mining. The Company cannot predict the outcome or timing of any amendments or modifications to applicable regulations or the interpretation thereof, the release of new regulations or their potential impact on its business.

Pursuant to the MPRDA, the South African government is the custodian of all mineral rights. Applications for prospecting rights and mining rights are lodged with the DMR for consideration, and the DMR will issue a prospecting right or a mining right to competent applicants who comply with the relevant provisions pertaining to the application for such rights.

The MPRDA contains provisions setting out its empowerment objectives, which are aimed at the economic empowerment of HDSAs. One of the requirements which must be met before the DMR will issue a prospecting right or mining right is that an applicant must facilitate the participation by HDSAs in the prospecting and mining operations which result from the granting of the prospecting and mining rights. The Mining Charter also includes provisions relating to skills development, procurement from HDSA companies, social prosperity and beneficiation.

The Company's exploration and mining activities are dependent upon the timely granting of appropriate licences, permits and regulatory consents which may be granted for a defined period of time, not be granted, be withdrawn subject to a regulatory process, or be subject to statutory restrictions. The Company may require further licences, permits and regulatory consent for the conduct of any new mining operations. There can be no assurance that such authorisations will be granted or renewed (as the case may be) or as to the terms of such grants or renewals. It must be noted, however, that under the MPRDA, the Minister of Mineral

Resources must grant prospecting rights or mining rights to applicants for such rights, if the applicant has complied with the formalities for such applications and the prerequisites for the granting of the rights. All of these formalities and prerequisites are objectively determinable from the MPRDA, the Mining Charter and the regulations promulgated under the MPRDA.

***Energy cost increases and power fluctuations and stoppages could adversely affect the Company's results of operations and its financial condition.***

The Company's mining operations are dependent upon electrical power generated by local utilities or by power plants situated at its operations.

The Company's operations are substantially dependent on electricity supplied by Eskom, the state-owned utility. Eskom and the National Energy Regulator of South Africa ("**NERSA**") continue to recognise the need for new supply capacity and historically have proposed tariff increases at rates exceeding inflation. The Company cannot give assurance that power supply to its South African operations will not experience future interruptions as the South African economic situation further improves, thereby potentially increasing the demand on the national grid system in South Africa.

The future profitability and financial condition of the Company may be adversely affected if it experiences future interruptions and/or if its machinery and equipment are damaged by system disturbances and voltage fluctuations.

***The costs of complying with applicable laws and governmental regulations may have an adverse impact on the Company's business.***

All of the Company's operations and exploration and development activities are located in South Africa and are subject to laws and regulations governing various matters. These include laws and regulations relating to exports, price controls, repatriation of capital and exchange controls, taxation, mining royalties, labour standards and occupational health and safety, including mine safety and historic and cultural preservation.

In particular, mining operations are subject to a variety of industry-specific health and safety laws and regulations. These laws and regulations are formulated to improve and to protect the safety and health of employees.

In South Africa, recent fatalities in the mining industry have caused the government to introduce compulsory shutdown of operations to enable investigations into the cause of the accident. Should compliance with new standards require a material increase in expenditure or material interruptions to production, the Company's results of operations and financial condition could be adversely affected.

The DMR has embarked on an audit strategy with the primary aim of helping mines to develop programmes to improve health and safety. Audits have been conducted and a number of workplace compliance stoppages have occurred. These instances have had a short-term adverse impact on PGM production. Future stoppages could have a similar negative impact on production, which could have an adverse effect on the Company's results of operations and financial position.

***The Company faces certain risks in dealing with HIV/AIDS and tuberculosis that may adversely affect its results of operations and financial condition.***

HIV/AIDS and associated diseases remain the major healthcare challenge faced by the South African mining industry. The exact impact of increased mortality rates due to HIV/AIDS and tuberculosis deaths on the cost of doing business in South Africa and the potential growth in the economy is uncertain, although employee-related costs in Africa are affected as a result of the HIV/AIDS epidemic and tuberculosis in terms of increased absenteeism, depressed morale and reduced productivity, in addition to increased recruitment and replacement costs, insurance premiums, benefits payments and other costs of providing treatment. Accurate prevalence data for HIV/AIDS is not available owing to doctor-patient confidentiality; however, the South African workforce prevalence studies indicate that the percentage of the Company's workforce that may be infected by HIV/AIDS may be as high as 30 percent. The Company has implemented HIV/AIDS awareness and prevention programmes for its employees, their families and the local communities. In addition, the Company offers a voluntary HIV testing programme and all of its employees are covered by medical insurance covering the costs of antiretroviral therapy for HIV-positive employees. Associated symptoms of HIV/AIDS, if suffered by the Company's employees, could have an adverse impact on BRPM's production, and, consequently, on the Company's results of operations and financial position.

***Future nationalisation of mines in South Africa could have a significant impact on the Company's business.***

Action to nationalise any of the Company's mines or other assets could have a material adverse effect on its assets, business, results of operations, financial condition and/or growth prospects. In addition, any perception that nationalisation may occur could have a material adverse effect on the trading price of the Company's securities.

***A further downgrade of South Africa's credit rating may have an adverse effect on Company's ability to secure financing.***

Prior to 2017, the challenges facing the mining industry and other sectors, among other factors, had resulted in the downgrading of South Africa's sovereign credit rating to one level above non-investment grade, or junk, by Standard & Poor's and Fitch Ratings. However, on 3 April 2017, Standard & Poor's downgraded South Africa's sovereign credit rating to non-investment grade (BB+ with a negative outlook) due to, among other things, political and economic uncertainty caused by changes in the government cabinet in South Africa. On 7 April 2017, Fitch Ratings also downgraded South Africa's sovereign credit rating to non-investment grade (BB+ with a negative outlook) for similar reasons. As of 27 February 2019, Moody's South African sovereign credit rating was Baa3, one notch above non-investment grade.

Further downgrading of South Africa's sovereign credit rating may adversely affect the South African mining industry, including the Company, by making it more difficult to obtain external financing or could result in any such financing being available only at greater cost or on more restrictive terms than might otherwise be available. The recent downgrades of South Africa's sovereign credit rating could also have a material adverse effect on the South African economy, as many pension funds and other large investors are required by internal rules to sell bonds once two separate agencies rate them as non-investment grade. Any such negative impact on the South African economy may adversely affect the South African mining industry and the Company's business, operating results and financial condition.

***South African exchange control restrictions could hinder the Company's ability to make foreign investments or to procure foreign denominated financings.***

South Africa's Exchange Control Regulations restrict business transactions between residents of the Common Monetary Area, which consists of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland, and non-residents of the Common Monetary Area. In particular, South African companies:

- are generally not permitted to export capital from South Africa, hold foreign currency in excess of certain limits or incur indebtedness denominated in foreign currencies without the approval of the South African exchange control authorities;
- are prohibited from using transfer pricing and excessive interest rates on foreign loans as a means of expatriating currency; and
- are generally not permitted to acquire an interest in a foreign venture without the approval of the South African exchange control authorities and subject to having complied with the investment criteria of the South African exchange control authorities.

These restrictions, among others, could hinder the Company's ability to make foreign investments and procure foreign denominated financings in the future. While the South African government has taken a less stringent approach to exchange controls in recent years, it is difficult to predict what action, if any, the government may take in the future with respect to exchange controls. If the government were to tighten exchange controls, these restrictions could further hinder the Company's ability to make foreign currency denominated investments and procure foreign currency denominated financings in the future and could materially and adversely affect the Company's business, prospects, financial condition or results of operations.

**Risks relating to the Rights Offer**

The Rights Offer and Rights Offer Shares are subject to the following risks which are typical for a capital raising of this nature:

- risk of fluctuation in the price of the Company's Shares, which may fluctuate below the Rights Offer Issue Price;
- the Company cannot give any assurance that an active trading market for the Letters of Allocation or Rights Offer Shares (once issued), will develop;
- if Shareholders do not exercise their Rights in a proper and timely manner, they may not be able to subscribe for Rights Offer Shares and they may not receive any compensation for their unexercised Rights;
- Shareholders in certain jurisdictions may not be able to participate in the Rights Offer and their percentage ownership and voting interests in the Company's share capital will accordingly be diluted; and
- the Rights Offer Shares may not be freely transferable in the United States.

**Additional information**

Shareholders and/or investors are referred to the annual report of the Company (available at the link: <http://www.bafokengplatinum.co.za/integrated-reports.php>), containing the annual financial results of the Company for the year ended 31 December 2018, for additional information on the Company, including, *inter alia*, information in respect of the market in which the entity operates, the Company's operations, financial performance and financial position.

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## SALIENT DATES AND TIMES

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2019

Declaration and finalisation announcement released on SENS	Tuesday, 5 March
Declaration and finalisation announcement published in the press	Wednesday, 6 March
Circular published on the RBPlat website	Monday, 11 March
Last day to trade in Shares in order to participate in the Rights Offer ( <i>cum</i> Rights)	Tuesday, 12 March
Listing of and trading in the Letters of Allocation under the JSE Code RBPN and ISIN ZAE000270104 on the JSE commences at 09:00 on	Wednesday, 13 March
Shares commence trading ex-Rights on the JSE at 09:00 on	Wednesday, 13 March
Circular distributed to Certificated Shareholders together with a Form of Instruction	Thursday, 14 March
Record Date for the Rights Offer	Friday, 15 March
Rights Offer opens at 09:00 on	Monday, 18 March
Dematerialised Shareholders accounts at their CSDP or Broker credited with their entitlement	Monday, 18 March
Certificated Shareholders' Letters of Allocation credited to an electronic account held at the Transfer Secretaries	Monday, 18 March
Circular distributed to Dematerialised Shareholders	Monday, 18 March
Last day to trade in Letters of Allocation on the JSE	Tuesday, 26 March
Certificated Shareholders wishing to <b>sell all or part</b> of their Entitlement must lodge their Form of Instruction with the Transfer Secretaries by 12:00 on	Tuesday, 26 March
Listing of, and trading in, the Rights Offer Shares on the JSE commences at 09:00 on	Wednesday, 27 March
Certificated Shareholders wishing to <b>renounce</b> or <b>subscribe</b> for all or part of their Entitlement must lodge their Form of Instruction together with their payment with the Transfer Secretaries by 12:00 on	Friday, 29 March
Record Date for the Letters of Allocation	Friday, 29 March
Rights Offer closes at 12:00 on	Friday, 29 March
Rights Offer Shares issued and posted to Shareholders in certificated form (where applicable) on or about	Monday, 1 April
Dematerialised Shareholders' CSDP or Broker accounts updated and credited with Rights Offer Shares	Monday, 1 April
Results of Rights Offer announced on SENS	Monday, 1 April
Refunds (if any) to Certificated Shareholders in respect of unsuccessful excess applications made	Wednesday, 3 April
Dematerialised Shareholders' accounts updated and debited by their CSDP or Broker (in respect of successful excess applications)	Wednesday, 3 April
Certificates distributed to Certificated Shareholders (in respect of successful excess applications)	Wednesday, 3 April

### Notes:

1. Shareholders may not Dematerialise or rematerialise their Shares between Wednesday, 13 March 2019 and Friday, 15 March 2019, both dates inclusive.
2. All references to dates and times are to local dates and times in South Africa.
3. The above dates and times are subject to amendment. Any such amendment will be released on SENS.
4. CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the corresponding meanings stated opposite them in the second column and words in the singular shall include the plural and *vice versa*, words importing natural persons shall include corporations and associations of persons and any reference to one gender shall include the other gender:

<b>“Act”</b>	the Companies Act, No. 71 of 2008, as amended;
<b>“Blocked Rand”</b>	funds that, in terms of the Exchange Control Regulations, cannot be transferred outside of South Africa;
<b>“Board” or “Directors”</b>	the board of directors of the Company as at the Last Practicable Date, the names of whom are set out in the “Corporate Information and Advisors” section;
<b>“Broker”</b>	any person registered as a “broking member (equities)” in accordance with the provisions of the Financial Markets Act;
<b>“BRPM”</b>	Bafokeng Rasimone Platinum Mine, situated on and exploiting PGMs on the BRPM Properties;
<b>“BRPM Acquisition”</b>	the acquisition by RBPlat of the RPM Participation Interest and the RPM Mining Rights, further detail in respect of which is included in the circular distributed to shareholders on 27 August 2018;
<b>“BRPM JV”</b>	an unincorporated joint venture, previously established between RBR and RPM in order to exploit PGMs on the BRPM JV Properties as a single entity, the operational management of which vested in RBPMS, which terminated on 11 December 2018 as result of RBR’s acquisition of the RPM Participation Interest;
<b>“BRPM JV Properties”</b>	the Boschkoppie, Frischgewaagd and Styldrift farms, collectively;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or public holiday in South Africa;
<b>“Certificated Shareholders”</b>	holders of Certificated Shares;
<b>“Certificated Shares”</b>	Shares which have not been Dematerialised and which are represented by a Share certificate or other Documents of Title acceptable to the Company;
<b>“Circular”</b>	this Circular pertaining to the Rights Offer issued by RBPlat to its Shareholders, dated Monday, 11 March 2019 including all annexures hereto and the Form of Instruction, where applicable;
<b>“Common Monetary Area”</b>	the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland;
<b>“CSDP”</b>	a Central Securities Depository Participant, being a “participant” as defined in the Financial Markets Act;
<b>“Custody Agreement”</b>	the agreement which regulates the relationship between the CSDP or Broker and each beneficial holder of Dematerialised Shares;
<b>“Dematerialise” or “Dematerialised” or “Dematerialisation”</b>	the process by which securities which are evidenced by a certificate are converted to securities that are held in collective custody by a CSDP or its nominee in a separate central securities account and are transferable by electronic entry without a certificate or written instrument;
<b>“Dematerialised Shareholders”</b>	holders of Dematerialised Shares;
<b>“Dematerialised Shares”</b>	Shares in the Company which have been Dematerialised;

<b>“Designated Bank Account”</b>	the bank account, the details of which will be provided on request from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours on +27 (0) 861 100 634;
<b>“Documents of Title”</b>	Share certificates, certified transfer deeds, balance receipts or any other documents of title to Certificated Shares acceptable to RBPlat;
<b>“EFT”</b>	Electronic Funds Transfer;
<b>“EFT Reference Document”</b>	the proof of EFT into the Designated Bank Account, that must contain the EFT reference number and swift reference number (if applicable);
<b>“Emigrants”</b>	former residents of the Common Monetary Area whose addresses are outside the Common Monetary Area.
<b>“Exchange Control Regulations”</b>	the Exchange Control Regulations, 1961, as amended from time to time, issued in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended;
<b>“Excluded Territories”</b>	the United States, Australia, Canada, Japan and Hong Kong and any other jurisdiction where the extension or making of the Rights Offer would, without compliance with additional requirements, be unlawful or in contravention of certain regulations;
<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012, as amended or replaced from time to time;
<b>“Form of Instruction”</b>	a form of instruction in respect of the Letter of Allocation;
<b>“Group”</b>	RBPlat, its subsidiaries and its controlled special purpose entities;
<b>“JSE”</b>	JSE Limited (Registration number 2005/022939/06), a public company registered and incorporated in accordance with the laws of South Africa and licensed to operate an exchange under the Financial Markets Act;
<b>“JSE Listings Requirements”</b>	the Listings Requirements of the JSE in force as at the Last Practicable Date;
<b>“Last Practicable Date”</b>	the last practicable date prior to the finalisation of this Circular, being Friday, 1 March 2019;
<b>“Letters of Allocation”</b>	the renounceable (nil paid) letters of allocation issued by RBPlat in electronic form to Qualifying Shareholders conferring the right to subscribe for Rights Offer Shares pursuant to the Rights Offer;
<b>“Major Subsidiary”</b>	as defined in the JSE Listings Requirements, meaning a subsidiary that represents 25% or more of the total assets or revenue of the consolidated Group;
<b>“Maseve”</b>	Maseve Investments 11 Proprietary Limited (Registration number 2008/018995/07), a private company registered and incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of RBPlat;
<b>“Maseve Circular”</b>	the circular to shareholders dated 2 November 2017, relating to a specific authority for the issue of up to 37 million authorised but unissued RBPlat Shares for cash, for the purposes of raising aggregate proceeds of up to R1 billion, to be utilised, <i>inter alia</i> , to fund the Plant Transaction and upgrades to the plant and associated infrastructure;
<b>“Non-resident”</b>	a person whose registered address is outside the Common Monetary Area;
<b>“Offer Period”</b>	the period of the Rights Offer, which opens at 09:00 on Monday, 18 March 2019 and closes at 12:00 on Friday, 29 March 2019;
<b>“PGMs”</b>	platinum group metals;

<b>“Plant Transaction”</b>	the acquisition by RBPlat, through its wholly-owned subsidiary, RBR, of a concentrator plant and related infrastructure and immovable property from Maseve which acquisition was effective on 14 February 2018;
<b>“Qualifying Certificated Shareholders”</b>	Qualifying Shareholders, holding Certificated Shares;
<b>“Qualifying Dematerialised Shareholders”</b>	Qualifying Shareholders, holding Dematerialised Shares;
<b>“Qualifying Shareholders”</b>	the Shareholders entitled to participate in the Rights Offer, being those Shareholders recorded in the Register on the Record Date;
<b>“Questco”</b>	Questco Proprietary Limited (Registration number 2002/005616/07), a private company registered and incorporated in accordance with the laws of South Africa and the Corporate Advisor and Transaction Sponsor to the Company in respect of the Rights Offer;
<b>“Rand” or “R” or “ZAR”</b>	South African Rand, the official currency of South Africa;
<b>“Ratio of Entitlement”</b>	the number of Rights Offer Shares to which Shareholders are entitled to subscribe for in terms of the Rights Offer, being 1 Rights Offer Share for every 4.5 Shares held on the Record Date for the Rights Offer as more fully detailed in <b>Annexure 1</b> ;
<b>“RBPlat” or “the Company”</b>	Royal Bafokeng Platinum Limited (Registration number 2008/015696/06), a public company registered and incorporated in accordance with the laws of South Africa and whose Shares are listed on the JSE;
<b>“RBH”</b>	Royal Bafokeng Holdings Proprietary Limited (Registration number 2006/006909/07), a private company incorporated in accordance with the laws of the Republic of South Africa and a 48% shareholder of the Company;
<b>“RBPMS”</b>	Royal Bafokeng Platinum Management Services Proprietary Limited (Registration number 2009/001885/07), a private company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of RBPlat;
<b>“RBR”</b>	Royal Bafokeng Resources Proprietary Limited (Registration number 2002/013162/07), a private company registered and incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of RBPlat;
<b>“Record Date”</b>	record date for the Rights Offer Entitlement, being close of business on Friday, 15 March 2019, which is the last day for Shareholders to be recorded in the Register in order to be entitled to participate in the Rights Offer and qualify as Qualifying Shareholders;
<b>“Record Date for the Letters of Allocation”</b>	the last day for persons to be recorded as holders of Letters of Allocation in order to subscribe for the Rights Offer Shares, being Friday, 29 March 2019;
<b>“Register”</b>	collectively, the register of Shareholders holding Certificated Shares maintained by the Transfer Secretaries and each of the sub-registers of Shareholders who hold Dematerialised Shares maintained by the relevant CSDPs, in accordance with section 50 of the Act;
<b>“Renouncee”</b>	the person in whose favour a Qualifying Shareholder, who has received a Letter of Allocation, has renounced their Rights Offer Entitlement;
<b>“Restricted Shareholders”</b>	Shareholders with registered addresses or who are resident or located in the United States or in any other Excluded Territory at 17:00, Johannesburg time on the Record Date;
<b>“Right” or “Entitlement”</b>	a Qualifying Shareholder’s entitlement to subscribe for Rights Offer Shares in the Ratio of Entitlement on the Record Date;

<b>“Rights Offer”</b>	the renounceable rights offer by RBPlat to its Shareholders in terms of which Shareholders obtain the entitlement to subscribe for the Rights Offer Shares at a Rights Offer Issue Price of R22.00 per Rights Offer Share in the ratio of 1 Rights Offer Share for every 4.5 Shares held on the Record Date for the Rights Offer, in terms of which RBPlat will raise R1.029 billion;
<b>“Rights Offer Issue Price” or “Subscription Price”</b>	the price per Rights Offer Share offered to Shareholders in terms of the Rights Offer, being R22.00 per Rights Offer Share;
<b>“Rights Offer Shares”</b>	the 46 777 694 Shares representing 22.22% of the issued share capital of RBPlat as at the Last Practicable Date to be issued pursuant to the Rights Offer;
<b>“RPM”</b>	Rustenburg Platinum Mines Limited (Registration number 1931/003380/06), a public company incorporated in accordance with the laws of South Africa, a wholly-owned subsidiary of Anglo American Platinum Limited;
<b>“RPM Mining Rights”</b>	RPM's 33% undivided interest in the new order mining rights registered over the BRPM JV Properties;
<b>“RPM Participation Interest”</b>	RPM's undivided 33% participation in the business undertaken by the BRPM JV and RPM's rights and obligations arising from the agreement regulating the BRPM JV, and including, <i>inter alia</i> : <ul style="list-style-type: none"> <li>(i) all assets owned by RPM for which it has contributed the use of, to the BRPM JV for the operation of the business of the BRPM JV;</li> <li>(ii) RPM's undivided interest in the assets forming part of and/or owned by the BRPM JV (and held by RPM and RBR in undivided interests as partners in the BRPM JV);</li> <li>(iii) all liabilities of RPM in relation to, associated with, arising out of or in respect of the RPM Participation Interest in the BRPM JV, which liabilities shall be assumed by RBR in settlement thereof; and</li> <li>(iv) the surface leases entered into between RPM and RBR (in their capacity as partners in the BRPM JV) and the Royal Bafokeng Nation Traditional Counsel on or about 7 December 2009 in respect of portion 1 and the remaining extent of the farm Boschkoppie 104 JQ; and the farm Styldrif 90; but excluding the RPM Mining Rights and liabilities of RPM and its affiliates in relation to tax and certain royalty payments;</li> </ul>
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“September 2017 SENS announcement”</b>	the SENS announcement issued by the Company on 6 September 2017 relating to the Plant Transaction;
<b>“Shareholders”</b>	the registered holders of Shares;
<b>“Shares”</b>	ordinary no par value shares in the stated capital of RBPlat, which are listed on the JSE;
<b>“South Africa”</b>	the Republic of South Africa;
<b>“Strate”</b>	Strate Proprietary Limited (Registration number 1998/022242/07), a private company registered and incorporated in accordance with the laws of South Africa, and a registered central securities depository in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
<b>“Styldrif I”</b>	the Styldrif I underground mine of RBPlat, located within the boundaries of the Styldrif and Frischgewaagd farms;
<b>“Styldrif II”</b>	the exploration project, known as Styldrif II, being undertaken within the boundaries of the Styldrif farm;

**“TERP”**

the theoretical ex-Rights price per Share of R30.99, calculated as:  $(A + B)/C$  where:

A = Market capitalisation of RBPlat as at 4 March 2019 (being the business day prior to the date on which the declaration and finalisation announcement was published on SENS) (being an amount of R6 944 382 563);

B = Cash raised from the Rights Offer, assuming that the Rights Offer is fully subscribed (being R1 029 109 268);

C = Number of Shares in issue following implementation of the Rights Offer (being 257 277 317 Shares);

**“Transfer Secretaries” or  
“Computershare”**

Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company registered and incorporated in accordance with the laws of South Africa, the particulars of which appear in the “Corporate Information and Advisors” section; and

**“U.S. Securities Act”**

U.S. Securities Act of 1933, as amended.



## Royal Bafokeng Platinum Limited

(Incorporated in the Republic of South Africa)

(Registration number 2008/015696/06)

JSE share code: RBP ISIN: ZAE000149936

Bond code: RBPCB ISIN: ZAE000243853

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## CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION AND PURPOSE OF THE CIRCULAR

- 1.1 Shareholders are referred to the announcement published by the Company on SENS on Tuesday, 5 March 2019, in which it was announced that RBPlat intended raising R1 029 109 268 by way of a Rights Offer.
- 1.2 In terms of the Rights Offer, Shareholders recorded in the Register at the close of trade on Friday, 15 March 2019, will be entitled to subscribe for the Rights Offer Shares on the basis of 1 Rights Offer Share for every 4.5 Shares held, at the Rights Offer Issue Price of R22.00 per Rights Offer Share. Only whole numbers of Shares will be issued and Shareholders will be entitled to a rounded number of Shares once the Ratio of Entitlement has been applied.
- 1.3 The Company has received irrevocable undertakings from Shareholders, including RBH, in respect of 74.6% of the Rights issued pursuant to the Rights Offer, representing Rights Offer proceeds of R768.8 million. Further information in respect of these commitments is included in paragraph 3 of this Circular.
- 1.4 The JSE has agreed to the listing of the Rights Offer Shares and the purpose of this Circular and the Form of Instruction is to furnish Shareholders with relevant information relating to the Rights Offer, the action required and the implications thereof, in accordance with the Act and the JSE Listings Requirements.
- 1.5 The enclosed Form of Instruction, where applicable, contains details of the rights to which Qualifying Certificated Shareholders are entitled, as well as the procedures for acceptance of rights or the sale or renunciation of their Letters of Allocation.

### 2. RATIONALE FOR THE RIGHTS OFFER AND UTILISATION OF FUNDS

- 2.1 Shareholders are referred to:
  - 2.1.1 the September 2017 SENS Announcement which related to the acquisition by the Company of: (i) the Maseve concentrator plant and related infrastructure for USD58 million, settled in cash, and (ii) 100% of the shares in and shareholder claims against Maseve, for USD12 million, settled in RBPlat Shares; and
  - 2.1.2 the Maseve Circular, which referred to the specific authority for the issue of RBPlat Shares for cash.
- 2.2 As set out in the Maseve Circular, at the time of entering into the Plant Transaction, it was RBPlat's intention to implement a capital raising by way of a specific issue of Shares for cash for the purposes of funding the consideration owing in respect of the Plant Transaction. At a general meeting held on 30 November 2017, Shareholders approved the specific issue.
- 2.3 In a subsequent announcement dated 6 April 2018, Shareholders were advised that the Company, having assessed its near-term capital requirements and taking into consideration the market conditions at the time, did not believe it was in the best interests of the Company to raise equity capital at that time. Accordingly, the Company settled the Plant Transaction from existing cash and debt facilities available to the Company, as a means to temporarily bridge the payment, until such time as market conditions were more conducive to a capital raising.

- 2.4 Having considered its near-term capital requirements and taking into account prevailing market conditions, the Company has determined that now represents an opportune time to raise equity capital in order to replenish the cash and debt facilities utilised by the Company as detailed above and fund the necessary upgrades to the Maseve Plant and related infrastructure. Notwithstanding that the Company has specific authority to issue shares for cash in place, given, *inter alia*, market conditions, the Company has elected to rather raise the necessary equity capital by way of the Rights Offer and not through a specific issue of shares for cash. Implementation of a successful Rights Offer will address the Company's capital requirements in this regard and therefore the specific authority granted at the November 2017 general meeting, will no longer be utilised and will effectively lapse.

### 3. IRREVOCABLE COMMITMENTS

- 3.1 The Company has received irrevocable commitments from the Shareholders listed below to follow their rights in respect of the Shares indicated:

Shareholder	% committed shareholding in RBPlat <sup>1,2</sup>	Committed Rand value (Rm)
Allan Gray Proprietary Limited (on behalf of its clients)	23.7	244.3
Coronation Asset Management Proprietary Limited (on behalf of its clients)	6.5	67.2
Investec Asset Management Proprietary Limited (on behalf of its clients)	4.2	43.5
RBH <sup>3</sup>	40.2	413.8
<b>Total</b>	<b>74.6</b>	<b>768.8</b>

#### Notes

1. Including treasury shares.
  2. The % committed shareholding has been rounded to 1 decimal place and therefore, when applied to the R1.029 billion capital to be raised, will not reflect the precise value committed of R768.8 million.
  3. Includes shares held through RBH and its group companies.
- 3.2 A commitment fee of 1.25% is payable by the Company to each of the aforementioned shareholders on the Rand value of the irrevocable commitment.

### 4. NATURE OF BUSINESS

- 4.1 RBPlat is an independently operated, empowered, mid-tier PGM producer with a JSE listing, whose current mining operations and planned expansion projects are based on the Western Limb of the Bushveld Igneous Complex in the North West Province of South Africa, the largest source of PGMs in the world.
- 4.2 RBPlat's operations include:
- 4.2.1 the Bafokeng Rasimone Platinum Mine, which consists of the of North and South shafts;
  - 4.2.2 the recently commissioned Styldrift mine;
  - 4.2.3 concentrating facilities at Bafokeng Rasimone Platinum Mine;
  - 4.2.4 the Maseve Plant; and
  - 4.2.5 its Styldrift II exploration project, on which a pre-feasibility study has been completed.
- 4.3 RBPlat mines PGMs in the Merensky and UG2 reefs on its BRPM and Styldrift properties. Its assets are the only known significant shallow high-grade Merensky resources and reserves still available for mining in South Africa.
- 4.4 On 5 July 2018, RBPlat and RPM entered into an agreement in terms of which RBPlat agreed to acquire the RPM Participation Interest and the RPM Mining Rights for R1 863 million, bringing RBPlat's interest in the BRPM JV to 100%. The first phase of the transaction, in terms of which the risks and rewards of ownership in respect of the RPM Participation Interest transferred to RBPlat, was effected on 11 December 2018, with the transfer of the RPM Mining Rights remaining subject to the approval of the Department of Mineral Resources in terms of section 11 of the Mineral and Petroleum Resources Development Act, No. 28 of 2012.
- 4.5 There has been no change in the trading objectives of the Group in the preceding five-year period.

## 5. PROSPECTS

- 5.1 RBPlat's focus for 2019 will be on achieving its strategic objectives through maintaining competitive earnings and growth and creating value for all stakeholders in the short, medium and long term. In addition to normal ongoing operational challenges, RBPlat's 2019 operating environment will include complexities inherent to wage negotiations, as RBPlat's current five-year wage agreement, which was signed with the National Union of Mineworkers ("**NUM**") on 2 July 2014 comes to an end in May 2019. There will also be elections for the NUM leadership positions at RBPlat, NUM regional elections and the country's general elections.
- 5.2 In this environment, maintaining labour stability and positive stakeholder relations will be a key success factor in achieving operational stability and meeting the Company's safety, project delivery, production and cost targets.
- 5.3 Establishing a resilient safety culture remains key to achieving meaningful and sustainable improvements in the Company's safety metrics and its pursuit of zero harm. In order to imbed and secure the changes required to progress from the Company's current compliant culture, the Company will focus on:
- 5.3.1 behavioural and leadership training; and
- 5.3.2 strengthening its safety management system with regards to its monitoring, control and design environments.
- 5.4 Following the successful recommissioning of the Maseve concentrator and the decision to proceed with the Phase II ramp-up to 230 ktpm at Styldrift, completing the required infrastructure to support the increased production will be a key focus for both the operational and project teams during 2019.

<b>Infrastructure</b>	<b>Timing</b>
230 ktpm mining infrastructure and footprint	Q4 2020
160 ktpm Maseve concentrator upgrade	Q4 2020
Maseve tailings storage facility (TSF) upgrade	Q3 2020
BRPM TSF upgrade	Q3 2020

- 5.5 As part of the Maseve MF2 160 ktpm upgrade, various chrome recovery circuit options are also being investigated to complement the concentrator's coprocessing capability.
- 5.6 The inclusion of these circuit options in the Maseve MF2 upgrade would not only increase milling capacity, but would also further enhance RBPlat's optionality with regards to exploiting both Merensky and UG2 reserves by providing us with opportunities to:
- 5.6.1 supplement production from the currently suspended UG2 at South shaft;
- 5.6.2 access the Frischgewaagd ore body earlier than planned; and
- 5.6.3 potentially expand Styldrift beyond 230 ktpm.
- 5.7 Group capital expenditure for 2019, including escalation contingencies, is forecast to be approximately R1.8 billion with the Styldrift mining and infrastructure for the 230 ktpm ramp-up footprint (R0.9 billion), the Maseve plant upgrade (R0.2 billion) and tailings storage facility upgrades (R0.3 billion) being the main drivers. Stay-in-business expenditure is expected to be between 5% and 6% of operating expenditure.

## 6. PARTICULARS OF THE RIGHTS OFFER

### 6.1 Terms of the Rights Offer

- 6.1.1 Qualifying Shareholders are offered 46 777 694 Rights Offer Shares at the Rights Offer Issue Price of R22.00 per Rights Offer Share, in the ratio of 1 Rights Offer Share for every 4.5 Shares held on the Record Date, on the terms and conditions as set out herein and in the accompanying Form of Instruction. Only whole numbers of Shares will be issued and Qualifying Shareholders will be entitled to rounded number of Shares once the Ratio of Entitlement has been applied.

- 6.1.2 The Subscription Price represents a discount of approximately 33.3% to the closing price of RBPlat Shares on the JSE on Monday, 4 March 2019, the day prior to the release of the Rights Offer declaration and finalisation announcement on SENS, and a discount of 29.0% to the TERP of RBPlat Shares calculated on the same date. RBPlat intends to raise an amount of R1 029 109 268 in terms of the Rights Offer.
- 6.1.3 The Record Date for determining which Shareholders constitute Qualifying Shareholders and are entitled to participate in the Rights Offer is Friday, 15 March 2019.
- 6.1.4 Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Shares.
- 6.1.5 The Letters of Allocation in respect of the Rights Offer are negotiable and will be listed on the JSE on Wednesday, 13 March 2019, under the JSE code RBPN and ISIN ZAE000270104. The Rights Offer Shares cannot be traded before such Shares are listed on the JSE on Wednesday, 27 March 2019.
- 6.1.6 The Rights Offer does not constitute an offer in any area of jurisdiction in which it is illegal to make such an offer or where such an offer would require registration or another administrative process, and, in such circumstances, this Circular and the accompanying Form of Instruction, where applicable, are distributed for information purposes only.
- 6.1.7 The enclosed Form of Instruction, where applicable, contains details of the Rights to which Qualifying Certificated Shareholders are entitled, as well as the procedure for acceptance and/or sale and/or renunciation of all or part of those Rights.
- 6.1.8 Qualifying Dematerialised Shareholders will be advised of the Rights to which they are entitled as well as the procedure for acceptance and/or sale and/or renunciation of all or part of those Rights by their CSDP or Broker in terms of the Custody Agreement.
- 6.1.9 The Rights Offer Issue Price is payable in full, in Rand, by Qualifying Certificated Shareholders on acceptance of the Rights Offer. CSDPs will make payment, on a delivery versus payment basis, in respect of Qualifying Dematerialised Shareholders who have accepted the Rights Offer. Qualifying Dematerialised Shareholders who have accepted the Rights Offer must ensure that the necessary funds are deposited with the relevant CSDP or Broker, as the case may be.
- 6.1.10 Qualifying Shareholders may apply for excess Rights Offer Shares not taken up by other Shareholders on the basis described in paragraph 6.3 (Excess).

## 6.2 Opening and closing dates of the Rights Offer

The Rights Offer will open at 09:00 on Monday, 18 March 2019, and will close at 12:00 on Friday, 29 March 2019.

## 6.3 Excess

- 6.3.1 All Rights Offer Shares not taken up in terms of the Rights Offer will be available for subscription by Qualifying Shareholders who wish to apply for a greater number of Rights Offer Shares than those offered to them in terms of the Rights Offer Entitlement. Accordingly, Qualifying Shareholders may also apply for Rights Offer Shares in excess of the Rights Offer Shares allocated to them in terms of the Rights Offer Entitlement on the same terms and conditions as those applicable to the Rights Offer.
- 6.3.2 Qualifying Certificated Shareholders who wish to apply for excess Rights Offer Shares, must make application for excess Rights Offer Shares by completing blocks (7) and (8) of the enclosed Form of Instruction and remit the Subscription Price in respect of such applications in accordance with paragraph 6.9.1 below.
- 6.3.3 Qualifying Dematerialised Shareholders who wish to apply for excess Rights Offer Shares, should instruct their duly appointed CSDP or Broker accordingly as to the number of excess Rights Offer Shares for which they wish to apply, in the manner and time stipulated in terms of the Custody Agreement. Payment will be on a delivery versus payment basis.
- 6.3.4 The right to apply for excess Rights Offer Shares is transferable on renunciation.

- 6.3.5 The pool of Rights Offer Shares available to meet excess applications will be dealt with as set out below:
- 6.3.5.1 if all the Rights Offer Shares are taken up in the Rights Offer, no excess Rights Offer Shares will be made available for allocation to applicants;
  - 6.3.5.2 if the Rights Offer Shares taken up in the Rights Offer and the excess applications together are less than or equal to 100% of the number of Rights Offer Shares available, the Directors will allocate any or all excess applications in full, at their discretion; and
  - 6.3.5.3 if the Rights Offer Shares taken up in the Rights Offer and the excess applications together exceed 100% of the number of Rights Offer Shares available, the Directors will allocate any or all excess applications in an equitable manner, at their discretion, taking cognisance of the number of Shares held by each applicant prior to such allocation (including those taken up as a result of the Rights Offer) and the number of Rights Offer Shares for which application is made.
- 6.3.6 Non-equitable allocations of excess Rights Offer Shares will only be allowed in instances where they are used to round holdings up to the nearest multiple of 100 Shares.
- 6.3.7 Cheques refunding monies in respect of unsuccessful applications by Qualifying Certificated Shareholders for excess Rights Offer Shares will be posted to the relevant applicants, at their own risk, on or about Wednesday, 3 April 2019. No interest will be paid on monies received in respect of unsuccessful applications.

#### 6.4 Entitlement

The table of entitlement illustrating the number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out in **Annexure 1**. The entitlement of each Qualifying Certificated Shareholder is reflected in the appropriate block in the Form of Instruction, which is enclosed with this Circular. Qualifying Dematerialised Shareholders will not receive a printed Form of Instruction. The CSDP or Brokers accounts of Qualifying Dematerialised Shareholders will automatically be credited with their Entitlements in accordance with **Annexure 1**.

#### 6.5 Fractional entitlement

The whole number of Rights to Rights Offer Shares to which Qualifying Shareholders will become entitled will be determined by the Ratio of Entitlement. Only whole numbers of Shares will be issued and Qualifying Shareholders will be entitled to subscribe for rounded numbers of Shares once the Ratio of Entitlement has been applied. Fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

#### 6.6 Minimum Subscription

The Rights Offer is not subject to any minimum subscription being obtained.

#### 6.7 Procedures for acceptance

##### 6.7.1 *In respect of Qualifying Certificated Shareholders:*

- 6.7.1.1 Qualifying Certificated Shareholders who wish to subscribe for all or part of their Rights Offer Entitlement must indicate the number of Rights Offer Shares for which they wish to subscribe on the accompanying Form of Instruction.
- 6.7.1.2 Payment of the Rand value of the Subscription Price may be made:
  - 6.7.1.2.1 by cheque (crossed “not transferable” and with the words “or bearer” deleted) made payable to “**Royal Bafokeng Platinum Limited – Rights Offer Account**”;
  - 6.7.1.2.2 by bankers’ draft (drawn on a registered bank in the RSA) payable to “**Royal Bafokeng Platinum Limited – Rights Offer Account**”; or
  - 6.7.1.2.3 by EFT into the Designated Bank Account.

- 6.7.1.3 Qualifying Certificated Shareholders who wish to apply for excess Rights Offer Shares, must make application for excess Rights Offer Shares by completing blocks (7) and (8) of the enclosed Form of Instruction and remit the Subscription Price in respect of such applications in accordance with paragraph 6.9.1 below.
  - 6.7.1.4 Properly completed Forms of Instruction together with the cheque (crossed “non-transferable” and with the words “or bearer” deleted), bankers’ drafts (drawn on a registered bank in South Africa) or valid EFT Reference Document, in payment of the Rights Offer Shares being taken up, must be lodged so as to reach the Transfer Secretaries by no later than 12:00 on Friday, 29 March 2019;
  - 6.7.1.5 Payment in compliance with this paragraph will, once the cheque or bankers’ draft has been cleared for payment or the EFT has reflected in the Designated Bank Account, constitute an irrevocable acceptance of the Rights Offer upon the terms and conditions set out in this Circular and in the Form of Instruction. Should any cheque or bankers’ draft be dishonoured, RBPlat, in its sole discretion, may treat the acceptance of the Form of Instruction by the acceptor concerned as void.
  - 6.7.1.6 If any Form of Instruction, cheque, bankers’ draft or EFT is not received as set out above, the Shareholder or Renouncee concerned will be deemed to have declined the offer to acquire Rights Offer Shares pursuant to the Rights Offer.
  - 6.7.1.7 If the required documentation and payment have not been received in accordance with the instructions contained in this Circular and the Form of Instruction (either from the Qualifying Shareholder or from any Renouncee), then the Rights and the relevant number of unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer Entitlement will lapse.
  - 6.7.1.8 **Qualifying Certificated Shareholders are advised to take into consideration postal delivery times when posting their Forms of Instruction, as no late postal deliveries will be accepted. Shareholders are advised to deliver their completed Forms of Instruction together with their bank-guaranteed cheques, bankers’ drafts or EFT Reference Document by hand or by courier, where possible.**
- 6.7.2 ***In respect of Qualifying Dematerialised Shareholders:***
- 6.7.2.1 Qualifying Dematerialised Shareholders will not receive a printed Form of Instruction but should receive notification from their CSDP or Broker regarding the Rights to which they are entitled in terms of the Rights Offer.
  - 6.7.2.2 Qualifying Dematerialised Shareholders who wish to follow all or part of their Rights in respect of the Rights Offer are required to notify their duly appointed CSDP or Broker accordingly in the manner and time stipulated in the Custody Agreement.
  - 6.7.2.3 Qualifying Dematerialised Shareholders who wish to apply for excess Rights Offer Shares, should instruct their duly appointed CSDP or Broker accordingly as to the number of excess Rights Offer Shares for which they wish to apply, in the manner and time stipulated in terms of the Custody Agreement. Payment will be on a delivery versus payment basis.
  - 6.7.2.4 If the required documentation and payment have not been received in accordance with the instructions contained in this Circular (either from the Qualifying Shareholder or from any Renouncee), then the Rights and the relevant number of unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer Entitlement will lapse.
  - 6.7.2.5 **RBPlat does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify Qualifying Dematerialised Shareholders of the Rights Offer and/or to obtain instructions from them to subscribe for the Rights Offer Shares and/or to sell the Letters of Allocation.**

## 6.8 Procedures for sale or renunciation of Rights Offer Entitlement

### 6.8.1 *In respect of Qualifying Certificated Shareholders*

6.8.1.1 Qualifying Certificated Shareholders who do not wish to subscribe for all of their Rights Offer Entitlement (as reflected in the Form of Instruction), may either dispose of or renounce all or part of their Rights Offer Entitlement as follows:

6.8.1.1.1 Qualifying Certificated Shareholders who wish to **sell** all or part of their Rights Offer Entitlement, must complete Form A of the enclosed Form of Instruction and return it to the Transfer Secretaries to be received by no later than 12:00 on Tuesday, 26 March 2019. Note that the Transfer Secretaries will endeavour to procure the sale of rights on the JSE on the Shareholder's behalf and remit the net proceeds thereof in accordance with the instructions received, provided that such proceeds are not less than R10. Please note that the closer to this deadline that you instruct the Transfer Secretaries to sell your Letters of Allocation, the less opportunity the Transfer Secretaries will have to sell your Letters of Allocation on the exchange at a profit or at all. In this regard, neither the Transfer Secretaries nor RBPlat will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained, or the failure to dispose of such Entitlements; and

6.8.1.1.2 Qualifying Certificated Shareholders who wish to **renounce** their Rights Offer Entitlement in favour of any named Renounee, must complete Form B of the enclosed Form of Instruction, and the Renounee must complete Form C of the enclosed Form of Instruction and return it to the Transfer Secretaries, to be received by no later than 12:00 on Friday, 29 March 2019, together with a bank-guaranteed cheque, bankers' draft or EFT Reference Document reflecting the appropriate amount. Renounees must attach a certified true copy of their Identification Document to the Form of Instruction, where Forms B and C are completed.

### 6.8.2 *In respect of Qualifying Dematerialised Shareholders*

Qualifying Dematerialised Shareholders should timeously instruct their CSDP or Broker as to whether they wish to subscribe for all or part of their Rights Offer Entitlement, or sell all or part of their Rights Offer Entitlement or renounce all or part of their Rights Offer Entitlement, in the manner and time stipulated in the Custody Agreement. If they do not so instruct their CSDP or Broker in the manner as set out in their Custody Agreement, then the Rights and the relevant number of unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer Entitlement will lapse.

## 6.9 Payment

### 6.9.1 *Payment procedure for Qualifying Certificated Shareholders*

6.9.1.1 The amount due on acceptance of the Rights Offer is payable in full in Rand and may be made by:

6.9.1.1.1 bank guaranteed cheque (crossed "not transferable" and with the words "or bearer" deleted) made payable to "**Royal Bafokeng Platinum Limited – Rights Offer Account**";

6.9.1.1.2 bankers' draft (drawn on a registered bank in South Africa) payable to "**Royal Bafokeng Platinum Limited – Rights Offer Account**"; or

6.9.1.1.3 EFT into the Designated Bank Account.

- 6.9.1.2 The cheque, bankers' draft or EFT Reference Document in respect of the total amount due, together with a properly completed Form of Instruction, should be clearly marked "**Royal Bafokeng Platinum Limited – Rights Offer**" and lodged as set out in paragraph 6.7.1.4, so as to reach the Transfer Secretaries by no later than 12:00 on Friday, 29 March 2019.
- 6.9.1.3 Please note that the Transfer Secretaries will effect delivery of Share certificates against payment and should a cheque, banker's draft or EFT Reference Document not accompany the Form of Instruction, the application will be treated as invalid.
- 6.9.1.4 No acknowledgement of receipt will be given for a cheque, banker's draft or EFT received in accordance with the Rights Offer.
- 6.9.1.5 Blocked Rand may be used by Emigrants and Non-residents of the Common Monetary Area for payment in terms of the Rights Offer. In this regard, reference should be made to paragraph 7 which deals with Exchange Control Regulations.

#### 6.9.2 **Payment procedure for Qualifying Dematerialised Shareholders**

- 6.9.2.1 Qualifying Dematerialised Shareholders must timeously instruct their CSDP or Broker as to the action they must take to enable the CSDP or Broker to act on their behalf in terms of the Custody Agreement.

#### 6.10 **Lapsing of Rights**

- 6.10.1 Qualifying Shareholders that do not take up their Rights will continue to own the same number of Shares, but their percentage holding in RBPlat will be diluted.
- 6.10.2 Subject to exceptions applicable to those Shareholders domiciled in Excluded Territories, Rights not exercised will be deemed to have been declined and will lapse and the relevant Qualifying Shareholder shall not receive any economic benefit in respect of such lapsed Rights.

### 7. **EXCHANGE CONTROL REGULATIONS AND OTHER RELEVANT CONSIDERATIONS FOR NON-RESIDENTS**

- 7.1 The Rights Offer does not constitute an offer in the Excluded Territories and this Circular and Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than where it is lawful to make such an offer.
- 7.2 Although Letters of Allocation may be credited to the CSDP or Broker securities accounts of Dematerialised Shareholders registered as such on the Record Date: (i) with a registered address, or resident, in one of the Excluded Territories, (ii) in the United States or (iii) with a registered address, or who hold on behalf of persons located in the United States, or who hold on behalf of any person on a non-discretionary basis who is in the United States, or any state of the United States, such crediting of Letters of Allocation does not constitute an offer to Restricted Shareholders and such Restricted Shareholders will not be entitled to take up or transfer Letters of Allocation in the Rights Offer or acquire Rights Offer Shares unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.
- 7.3 Restricted Shareholders should consult their professional advisors to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer, or trade their Rights Offer Entitlements and Letters of Allocation. Shareholders holding Shares on behalf of persons who are Restricted Shareholders are responsible for ensuring that taking up the Rights Offer, or trading in their Entitlements under that offer, does not breach regulations in the relevant overseas jurisdictions.
- 7.4 To the extent that Restricted Shareholders are not entitled to participate in the Rights Offer as a result of the aforementioned restrictions, the allocated Rights in respect of such Restricted Shareholders shall revert to the Company which shall be entitled to sell or place the same on the Restricted Shareholders' behalf or failing which such Rights will lapse.
- 7.5 Specific restrictions relating to certain jurisdictions are set out below.

## 7.6 Member states of the European Economic Area

- 7.6.1 In relation to each member state of the European Economic Area (each, a “Relevant Member State”), no Rights Offer Shares or Letters of Allocation have been offered or will be offered pursuant to the Rights Offer to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Rights Offer Shares or Letters of Allocation which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, except that offers of Rights Offer Shares or Letters of Allocation may be made to the public in that Relevant Member State:
- 7.6.1.1 to any legal entity which is a qualified investor as defined under the Prospectus Directive;
  - 7.6.1.2 to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State subject to obtaining the prior consent of the Managers; or
  - 7.6.1.3 in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offers of Rights Offer Shares or Letters of Allocation shall result in a requirement for the publication by the Company or the Managers of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.
- 7.6.2 For the purposes of paragraph 7.6.1, the expression “offer to the public” in relation to any Rights Offer Shares or Letters of Allocation in any Relevant Member State means the communication, in any form and by any means, of sufficient information on the terms of the Rights Offer and the Rights Offer Shares and Letters of Allocation to be offered, so as to enable an investor to decide to purchase or subscribe for the Rights Offer Shares or Letters of Allocation, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression “Prospectus Directive” means Directive 2003/71/EC (and any amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State).
- 7.6.3 In the case of any Rights Offer Shares or Letters of Allocation being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will be deemed to have represented, acknowledged and agreed that the Rights Offer Shares or Letters of Allocation acquired by it in the Rights Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in a Relevant Member State in circumstances which may give rise to an offer of any Rights Offer Shares or Letters of Allocation to the public other than their offer or resale in a Relevant Member State to qualified investors as defined under the Prospectus Directive.
- 7.6.4 The Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

## 7.7 United Kingdom

- 7.7.1 This Circular and the Letters of Allocation are only being distributed to, and are only directed at, persons in the United Kingdom who are “qualified investors” as defined in Section 86(7) of the Financial Services and Markets Act 2000, as amended (the “FSMA”) or otherwise in circumstances which do not require the publication by the Company of a prospectus pursuant to section 85(1) of the FSMA.
- 7.7.2 In the United Kingdom, this Circular and the Letters of Allocation are only being distributed to, and are only directed at, and any investment or investment activity to which they relate is available only to, and will be engaged in only with, persons (i) having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) to whom it may otherwise be lawfully communicated (all such persons together being referred to as “relevant persons”).

7.7.3 Persons located in the United Kingdom who are not qualified investors and relevant persons should not take any action on the basis of this Circular and the Letters of Allocation. Persons located in the United Kingdom that satisfy such requirements will be able to exercise their rights under the Rights Offer provided that any such person, by engaging in any investment or investment activity in connection with the Letters of Allocation or the Rights Offer Shares, will be deemed to represent, warrant, agree and confirm that such person is a “qualified investor” as defined in Section 86(7) of the FSMA and a relevant person.

## 7.8 **Canada, Australia and the Republic of Ireland**

7.8.1 This Circular will not be sent and should not be forwarded to Shareholders with registered addresses in Canada, Australia or the Republic of Ireland. Letters of Allocation may not be transferred, sold or delivered in or into any of Canada, Australia or the Republic of Ireland.

7.8.2 The Letters of Allocation have not been and will not be registered under the Securities Act of Canada or with any security regulatory authority of any state or other jurisdiction in Canada and, subject to certain exceptions, may not be offered or sold within Canada.

7.8.3 In addition, due to restrictions under the securities laws of Australia and the Republic of Ireland, no offer of the Letters of Allocation is being offered nor is the Rights Offer being made in terms of this circular to Shareholders with registered addresses in, or to residents of Australia or the Republic of Ireland.

## 7.9 **United States of America**

7.9.1 This Circular, the Letters of Allocation and the Rights Offer Shares have not been approved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of such regulatory authorities passed upon or endorsed the merits of the Rights Offer or the accuracy or adequacy of this Circular. Any representation to the contrary is a criminal offence in the United States.

7.9.2 The Letters of Allocation and the Rights Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States, except to QIBs pursuant to an exemption from or, in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

7.9.3 Accordingly, the Company is not offering the Letters of Allocation or the Rights Offer Shares into the United States except to a limited number of QIBs in transactions exempt from the registration requirements of the U.S. Securities Act and, subject to certain limited exceptions, this Circular does not constitute nor will it constitute an offer or an invitation to apply for, or an offer or an invitation to acquire, any Letters of Allocation or Rights Offer Shares in the United States. Subject to certain limited exceptions, this Circular will not be sent to any Shareholder in, or with a registered address in, the United States. Any person in the United States wishing to acquire the Letters of Allocation or subscribe for the Rights Offer Shares must execute and deliver an investor letter satisfactory to the Company to the effect that such person is a QIB within the meaning of Rule 144A and satisfies certain other requirements.

7.9.4 Subject to certain exceptions, any person who acquires Letters of Allocation or Rights Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this circular, exercising their Rights, selling or renouncing their Letters of Allocation or accepting delivery of the Letters of Allocation or the Rights Offer Shares that it is not, and that at the time of acquiring the Letters of Allocation or the Rights Offer Shares it will not be, in the United States or acting on behalf of, or for the account or benefit of, a person on a non-discretionary basis in the United States or any state of the United States.

7.9.5 In addition, until 40 days after the commencement of the Rights Offer, an offer, sale or transfer of the Rights Offer Shares or the Letters of Allocation within the United States by a dealer (whether or not participating in the Rights Offer) may violate the registration requirements of the U.S. Securities Act.

## 8. SOUTH AFRICAN LAW

The offer under this Circular is only being made to Shareholders of the Company, and their Renounees and as such will not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and subscribe for, shares to the public as defined in the Companies Act, or otherwise. All transactions arising from the provisions of this Circular and the accompanying Form of Instruction shall be governed by and be subject to the laws of South Africa.

## 9. TAX CONSEQUENCES

Shareholders are advised to consult their professional advisors regarding the tax implications of the Rights Offer.

## 10. DOCUMENTS OF TITLE

10.1 Share certificates to be issued to Qualifying Certificated Shareholders pursuant to the Rights Offer will be posted to persons entitled thereto by registered post, at the risk of the Shareholders concerned (or their Renounees), on or about Monday, 1 April 2019.

10.2 Qualifying Certificated Shareholders (or their Renounees) receiving new Certificated Shares must note that they will not be able to trade such Shares on the JSE until these Shares have been Dematerialised, which could take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.

10.3 The accounts of Qualifying Dematerialised Shareholders (or their Renounees) will be updated by their CSDP or Broker in respect of the Rights Offer Shares to be issued to them on or about Monday, 1 April 2019.

10.4 CSDPs will effect payment on a "delivery versus payment basis" in respect of Qualifying Dematerialised Shareholders (or their Renounees).

## 11. JSE LISTINGS

11.1 The Issuer Regulation Division of the JSE has approved the listing of:

11.1.1 the Letters of Allocation in respect of all of the 46 777 694 Rights Offer Shares with effect from the commencement of trade on Wednesday, 13 March 2019, to the close of trade on Tuesday, 26 March 2019, both days inclusive; and

11.1.2 46 777 694 Rights Offer Shares with effect from the commencement of trade on Wednesday, 27 March 2019.

## 12. SHARE CAPITAL

The authorised and issued share capital of RBPlat, before and after the Rights Offer is set out below:

### Before the Rights Offer:

	<b>R</b>
<b>Authorised</b>	
1 billion ordinary Shares of no par value	–
1 500 000 "A1" ordinary shares with a par value of R0.01 each	15 000
1 500 000 "A2" ordinary shares with a par value of R0.01 each	15 000
1 500 000 "A3" ordinary shares with a par value of R0.01 each	15 000
<b>Issued</b>	
210 499 623 ordinary Shares of no par value	9 952
Less: 2 967 624 Treasury Shares	–
<b>Stated capital</b>	<b>9 952</b>

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**After the Rights Offer:****Issued**

257 277 317 ordinary Shares of no par value

Less: 2 967 624 Treasury Shares

**R'million****10 981**

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**Stated capital****10 981**

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13. **DIRECTORS' INFORMATION**

<b>Director</b>	<b>Capacity</b>	<b>Business address</b>
Advocate KD Moroka SC	Independent non-executive Chairman	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
PJ Ledger	Independent non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
ZJ Matlala	Independent non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
MJ Moffett	Independent non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
TM Mokgosi-Mwantembe	Independent non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
MH Rogers	Independent non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
L Stephens	Independent non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
A Moodley	Non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055

<b>Director</b>	<b>Capacity</b>	<b>Business address</b>
O Phetwe	Non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
GL Smith	Non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
DR Wilson	Non-executive	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
DS Phiri	Chief Executive Officer	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055
HA Rossouw	Chief Financial Officer	The Pivot No 1 Monte Casino Boulevard Block C, 4th Floor Fourways Johannesburg, 2055

13.1 On 28 February 2018, Mr O Phetwe and Mr PJ Ledger, were appointed to the Board. On 1 October 2018, Mr HA Rossouw was appointed as an executive director and Chief Financial Officer and Ms Z Matlala was appointed as an independent non-executive director. Messrs GL Smith and A Moodley were appointed as non-executive directors with effect from 2 January 2019.

13.2 There will be no variation in the composition of the Board of RBPlat or the directors of Major Subsidiaries as a consequence of the Rights Offer.

13.3 There will be no variation in the remuneration receivable by any of the Directors as a consequence of the Rights Offer.

#### 14. DIRECTORS' INTERESTS IN SECURITIES

14.1 As at the Last Practicable Date, the beneficial interests of Directors and their associates (including directors who have resigned in the 12 months preceding the Last Practicable Date), directly and indirectly, in the issued share capital of RBPlat, were as follows:

	<b>Direct</b>	<b>Indirect</b>	<b>Total</b>	<b>%</b>
DS Phiri	164 673	1 283 146	1 447 819	0.7%
MJL Prinsloo*	114 441	679 221	793 662	0.4%
	<b>279 114</b>	<b>1 962 367</b>	<b>2 241 481</b>	<b>1.1%</b>

\*MJL Prinsloo resigned with effect from 10 August 2018.

14.2 There has been no change in the Directors' interests between 31 December 2018 (the latest financial year-end of the Company) and the Last Practicable Date.

## 15. EXPENSES

15.1 It is estimated that RBPlat's expenses relating to the Rights Offer will amount to approximately R13 109 100. The expenses (excluding VAT) relating to the Rights Offer have been detailed below:

<b>Nature of expense</b>	<b>Paid/payable to</b>	<b>Rand</b>
Corporate Advisor and Transaction Sponsor	Questco (Pty) Ltd	2 600 000
Legal Advisor	Bowman Gilfillan Inc.	200 000
JSE listing fee	JSE	347 000
JSE documentation fee	JSE	28 100
Printing, publication and distribution	Ince (Pty) Ltd	200 000
Transfer secretaries	Computershare	65 000
Strate fees	Strate	10 000
Commitment fee	Various*	9 609 000
Contingency	Various	50 000
<b>Total</b>		<b>13 109 100</b>

*\*Refer to paragraph 3 of the Circular for further information in this regard.*

15.2 Other than set out above, RBPlat has not incurred any preliminary expenses in relation to the Rights Offer during the three years preceding the Last Practicable Date.

15.3 The expenses of the Rights Offer will be written off against stated capital.

## 16. SHARE TRADING HISTORY

**Annexure 2** contains the aggregate volume and value of the Company's Shares traded on the JSE, as well as the highest and lowest traded prices for each:

16.1 trading day during the 30-day period ended on the Last Practicable Date; and

16.2 month over the 12-months preceding the Last Practicable Date.

## 17. RESPONSIBILITY STATEMENT

The Directors, whose names appear in the "Corporate Information and Advisors" section, collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular false or misleading, and that they have made all reasonable inquiries to ascertain such facts, and that this Circular contains all information required by law and the JSE Listings Requirements. All the Directors have read, and understand and agree with, the contents of this Circular and have authorised the chief executive officer of the Company, by way of powers of attorney granted to him, to sign this Circular on their behalf.

## 18. CONSENTS

Each of the advisors whose names appear on the front cover of this Circular have consented and have not, prior to the Last Practicable Date, withdrawn their written consents to the inclusion of their names in the form and context in which they appear in this Circular.

## 19. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered offices of the Company and Questco at the address set out in the “Corporate Information and Advisors” section, during normal office hours from the date of issue of this Circular until the date that the Rights Offer closes:

- the memoranda of incorporation of RBPlat and RBR, its Major Subsidiary;
- the audited consolidated financial statements of RBPlat for the three consecutive financial years ended, 31 December 2016, 31 December 2017 and 31 December 2018;
- the interim consolidated financial results of RBPlat for the six months ended 30 June 2016, 30 June 2017 and 30 June 2018;
- the sale and purchase agreement dated 4 July 2018, entered into between RBR and RPM in respect of *inter alia*, the acquisition by RBPlat of the RPM Participation Interest and the RPM Mining Rights, from RPM, further information in respect of which is incorporated in the circular to Shareholders dated 27 August 2018;
- the mining and sale of ore agreement entered into between RPM and RBR, dated 4 July 2018, further information in respect of which is incorporated in the circular to Shareholders dated 27 August 2018;
- the revised purchase of concentrate agreement, entered into between RPM and RBR, dated 4 July 2018, further information in respect of which is incorporated in the circular to Shareholders dated 27 August 2018;
- the Company’s 2017 mineral resources and reserves statement as contained in the Company’s latest annual report;
- the Directors’ service agreements;
- copies of the irrevocable commitments referred to in paragraph 3 of this Circular;
- written consents of the Corporate Advisor and Transaction Sponsor, South African Legal Advisor and Transfer Secretaries to the inclusion of their names in this Circular in the context and form in which they appear;
- the September 2017 SENS announcement;
- the Maseve Circular;
- a signed copy of this Circular; and
- the powers of attorney signed by the Directors.

**SIGNED AT JOHANNESBURG ON 11 MARCH 2019 BY MR HA ROSSOUW ON BEHALF OF ALL THE DIRECTORS OF RBPLAT IN TERMS OF POWERS OF ATTORNEY SIGNED BY SUCH DIRECTORS**

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**HA ROSSOUW – CHIEF FINANCIAL OFFICER**

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**TABLE OF ENTITLEMENT**


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The number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out below. Qualifying Shareholders will be entitled to 1 Rights Offer Share for every 4.5 Shares held at the Record Date for the Rights Offer. Fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

<b>Number of Shares held</b>	<b>Number of Rights Offer Shares</b>	<b>Number of Shares held</b>	<b>Number of Rights Offer Shares</b>	<b>Number of Shares held</b>	<b>Number of Rights Offer Shares</b>
1	–	42	9	83	18
2	–	43	10	84	19
3	1	44	10	85	19
4	1	45	10	86	19
5	1	46	10	87	19
6	1	47	10	88	20
7	2	48	11	89	20
8	2	49	11	90	20
9	2	50	11	91	20
10	2	51	11	92	20
11	2	52	12	93	21
12	3	53	12	94	21
13	3	54	12	95	21
14	3	55	12	96	21
15	3	56	12	97	22
16	4	57	13	98	22
17	4	58	13	99	22
18	4	59	13	100	22
19	4	60	13	125	28
20	4	61	14	150	33
21	5	62	14	175	39
22	5	63	14	200	44
23	5	64	14	500	111
24	5	65	14	1 000	222
25	6	66	15	5 000	1 111
26	6	67	15	10 000	2 222
27	6	68	15	20 000	4 444
28	6	69	15	50 000	11 111
29	6	70	16	100 000	22 222
30	7	71	16	20 000	44 444
31	7	72	16	300 000	66 667
32	7	73	16	400 000	88 889
33	7	74	16	500 000	111 111
34	8	75	17	1 000 000	222 222
35	8	76	17	2 000 000	444 444
36	8	77	17	3 000 000	666 667
37	8	78	17	4 000 000	888 889
38	8	79	18	5 000 000	1 111 111
39	9	80	18	10 000 000	2 222 222
40	9	81	18	50 000 000	11 111 110
41	9	82	8	100 000 000	22 222 222

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## SHARE TRADING HISTORY

The Share trading history of RBPlat Shares on the JSE is set out below:

	High	Low	Volume	Value R
<b>Daily:</b>				
1 March 2019*	3 448	3 201	164 888	5 447 889
28 February 2019	3 332	3 139	258 275	8 226 060
27 February 2019	3 299	2 900	278 460	8 790 683
26 February 2019	3 185	3 051	134 700	4 247 781
25 February 2019	3 192	3 100	19 674	621 043
22 February 2019	3 185	3 145	25 614	810 549
21 February 2019	3 233	3 093	18 861	596 023
20 February 2019	3 300	3 074	74 681	2 412 742
19 February 2019	3 400	3 040	6 520	209 049
18 February 2019	3 300	2 939	15 614	480 743
15 February 2019	3 050	2 916	3 218	95 974
14 February 2019	3 100	2 757	612 033	17 818 923
13 February 2019	3 100	2 865	4 257	123 694
12 February 2019	2 900	2 463	12 015	339 685
11 February 2019	2 900	2 742	190 958	5 526 265
8 February 2019	2 955	2 850	64 917	1 856 364
7 February 2019	2 900	2 750	2 977	85 705
6 February 2019	2 900	2 740	98 303	2 842 353
5 February 2019	3 021	2 800	566 022	16 384 983
4 February 2019	3 997	2 740	304 361	8 825 661
1 February 2019	2 995	2 743	109 192	3 140 360
31 January 2019	2 900	2 875	68 577	1 974 021
30 January 2019	2 900	2 875	36 819	1 058 967
29 January 2019	2 900	2 875	78 377	2 271 562
28 January 2019	2 925	2 864	583 558	16 917 680
25 January 2019	2 994	2 740	30 973	898 526
24 January 2019	3 300	2 850	104 475	3 004 039
23 January 2019	3 800	2 853	246	7 249
22 January 2019	2 997	2 850	8 466	245 536
21 January 2019	3 098	2 800	8 699	245 579
<b>Monthly:</b>				
January 2019	3 800	2 602	1 264 917	36 806 198
December 2018	3 000	1 980	5 518 855	138 468 620
November 2018	2 950	2 300	649 691	17 465 720
October 2018	3 050	2 342	4 366 273	115 627 182
September 2018	2 990	2 201	3 341 853	85 708 399
August 2018	2 599	2 001	7 553 662	176 671 313
July 2018	2 749	1 885	2 043 439	46 664 873
June 2018	2 469	1 500	3 762 967	83 662 204
May 2018	2 469	2 020	4 957 142	113 818 199
April 2018	2 840	2 100	21 329 763	488 579 248
March 2018	3 200	2 005	925 518	26 175 130
February 2018	3 500	2 950	1 500 626	48 680 906

\*Last Practicable Date

