

MEDIA RELEASE

08 December 2020

123/2020

NORTHAM INCREASES HOLDING IN ZAMBEZI TO ABOVE 80%

Johannesburg, Tuesday 08 December 2020. Northam Platinum is pleased to advise that it has acquired an additional 2 830 957 preference shares in Zambezi Platinum (RF) Limited (Zambezi). In addition, agreement has been reached to acquire 13 829 788 Zambezi preference shares from the Public Investment Commission (PIC) at a price of R95.37 per Zambezi preference share, for a total cash consideration of approximately R1.3 billion.

This recent development, the acquisition of an aggregate of 16 660 745 Zambezi preference shares at a total cash consideration of R1.6 billion is a further step in Northam's previously stated intention to achieve the following:

- A reduction of the preference share dividend expense and liability in the financial statements
- To reduce Northam's financial exposure in terms of the guarantee Northam provides to Zambezi preference shareholders
- the reduction in the number of Northam shares in issue, in the event of Zambezi redeeming the Zambezi preference shares through a distribution of Zambezi-held ordinary shares in Northam.

Paul Dunne, Northam's Chief Executive Officer said *"Northam is pleased to return a further R1.6 billion of value to shareholders through the purchase of Zambezi preference shares, increasing Northam's holding to approximately 80.4%. Northam's acquisition of more than 80% of Zambezi preference shares represents a significant step in pursuit of the company's previously stated intention to accelerate the maturity of the Zambezi Transaction. This strategy continues to positively impact future earnings and shareholder value creation."*

The PIC is a material shareholder of Northam as defined in the JSE Limited Listings Requirements. Northam has appointed BDO Corporate Finance Proprietary Limited (BDO) as the independent professional expert for purposes of providing an opinion in respect of the fairness of the related party acquisition. BDO has considered the terms and conditions of the related party acquisition and is of the opinion that the related party acquisition is fair to shareholders.

Issued by R&A Strategic Communications, Johannesburg, Tel +27 (0)11 880 3924;

Marion Brower +27 71 493 0387