



Trading statement for the year ended 31 December 2011

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

Shareholders are advised that Merafe is expecting to report the following for the year ended 31 December 2011:

- Basic earnings per share of between 5 cents and 6 cents, compared to 11 cents for the prior comparative period;
- Headline earnings per share of between 6 cents and 7 cents compared to 11 cents for the prior comparative period.

Update on cash balance and debt

At 31 December 2011, Merafe closed with a cash balance of R220m.

Merafe signed agreements with ABSA Capital during December 2011 to secure a long-term debt facility of R800 million which includes refinancing of its existing R300 million long-term debt and funding for Project Lion II. At 31 December 2011, Merafe had long-term debt of R300 million.

Shareholders are advised that the financial information on which this trading statement is based, has not been reviewed or reported on by Merafe's external auditors and is provided in terms of paragraph 3.4(b) of the JSE Limited Listings Requirements. The financial results for the year ended 31 December 2011 are expected to be released on SENS on 6 March 2012.

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25 January 2012

Sponsor: Deutsche Securities (SA) (Proprietary) Limited