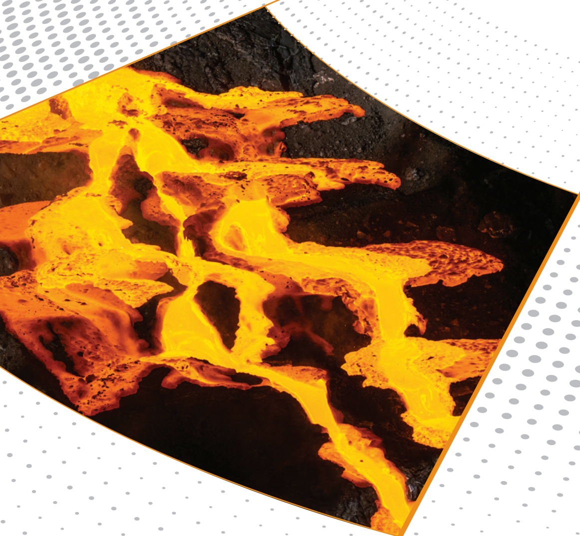

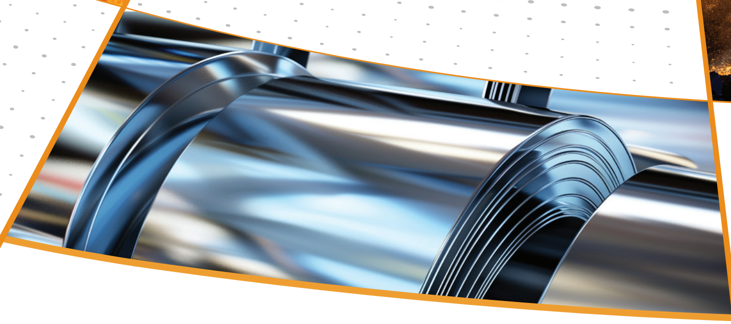

Merafe Resources Limited

Summarised consolidated financial statements and notice of annual general meeting

for the year ended 31 December 2024

Delivering today. Investing in tomorrow.

Contents

CEO commentary on results

Weaker commodity prices and increasing costs made for a challenging year for Merafe. Earnings slumped by 62% to R667 million, after the full impairment of the Boshoek smelter of R575 million. Ferrochrome prices were impacted by surplus supply as a result of new Chinese production capacity.

The board of directors of Merafe (the Board) resolved to declare a final cash dividend of R200 million, bringing the total dividends for the 2024 financial year to R700 million (2023: R1 050 million).

Merafe Resources Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1987/003452/06)
JSE and A2X share code: MRF
ISIN: ZAE000060000
(Merafe or the Company or the Group)

Sponsor:

One Capital Sponsor Services Proprietary Limited

Executive Directors:

Z Matlala (Chief Executive Officer), D Chocho (Financial Director)

Non-executive Directors:

S Phiri (Chairperson)*, D McGluwa, M Vuso*, K Tlale*, N Mabusela-Aikhuere*, D Green, J Mclaughlan*

* *Independent*

Company Secretary:

CorpStat Governance Services Proprietary Limited

Registered office:

Building B, 2nd Floor, Ballyoaks Office Park 35 Ballyclare Drive Bryanston, 2191

Transfer secretaries:

JSE Investor Services Proprietary Limited

Investor relations:

Ditabe Chocho
Tel: +27 11 783 4780
Email: ditabe@meraferesources.co.za

2024 financial year in review

Financial

9% decrease in revenue

R8 443 million

(2023: R9 244 million)

29% decrease in headline earnings per share

42.9cps

(2023: 60.1cps)

62% decrease in basic earnings per share to

26.7cps

(2023: 70.1cps)

64% decrease in the final cash dividend to

8cps

(2023: 22cps)

7% decrease in net asset value to

R4 876 million

(2023: R5 259 million)

Earnings before interest, taxation, depreciation and amortisation (EBITDA)

R1 731 million

(2023: R2 545 million)

5% decrease in net cash from operating activities to

R1 777 million

(2023: R1 879 million)

8% increase in cash balance

R1 795 million

(2023: R1 656 million)

Safety

1% decrease in the total recordable injury frequency rate (TRIFR) to

2.31

(2023: 2.34)

Fatality

1

(2023: 2)

Operational

1% increase in chrome ore sales volume to

475kt

(2023: 470kt)

0.3% increase in ferrochrome production to

301kt

(2023: 300kt)

106% increase in Platinum Group Metals (PGMs) sales volume

13 557oz

(2023: 6 588oz)

2%

increase in ferrochrome production cost per tonne

(2023: 28%)

The Merafe Resources 2024 Integrated Annual Report and the Merafe Resources 2024 audited consolidated and separate annual financial statements are available on our website (www.meraferesources.co.za) and printed copies are available on request from the Company Secretary.

Commentary

Financial review

The summarised consolidated financial results for the year ended 31 December 2024 are presented below.

Rounding of figures may result in minor computational discrepancies of the tabulations.

Merafe's revenue and operating income are primarily generated from the Glencore-Merafe Chrome Venture (Venture), one of the global market leaders in ferrochrome production, with a total installed capacity of 2.3 million tonnes of ferrochrome per annum. Merafe shares 20.5% of the earnings before interest, taxation, depreciation and amortisation (EBITDA) from the Venture. Merafe has one reportable segment, the mining and beneficiation of chrome ore into ferrochrome and associated minerals. As a result, no segment report has been presented.

Merafe's share of the revenue from the Venture, which includes a management fee, decreased by 9% from the prior year to R8 443 million (2023: R9 244 million).

Ferrochrome revenue decreased by 14% from the prior period to R5 909 million (2023: R6 885 million). Key contributors to the reduced revenue were a 6% decrease in the average net cost, insurance and freight (CIF) prices, a 9% decrease in ferrochrome sales volumes to 298kt (2023: 327kt) and the average ZAR:USD exchange which strengthened by 1% to R18.34 (2023: R18.45). Chrome ore revenue increased 2% year-on-year to R2 262 million (2023: R2 222 million). Average chrome ore CIF prices increased by 1%, as did sales volumes, which increased to 475kt (2023: 470kt). The slightly stronger average ZAR:USD exchange rate deflated some of the growth in chrome ore revenue. Platinum Group Metals (PGMs) revenue increased to R267 million (2023: R133 million). Although the average basket price of PGMs decreased by 16% to 1 079 USD/oz (2023:1 284 USD/oz), higher volumes sold of 13 557oz (2023: 6 588oz) supported growth in PGMs revenue.

Operating and other expenses decreased by 4% to R6 741 million (2023: R7 048 million). This decrease was mainly influenced by lower ferrochrome sales. A 2% higher unit production cost per tonne year-on-year lowered the full impact of this decline. Inflationary pressures on our unit production cost came primarily from higher chrome ore prices and higher fixed costs. Operating and other expenses include Merafe's attributable share of standing charges of R287 million (2023: R346 million). Additionally, the figure includes inventory write down of R79 million (2023: R2 million) during the year arising mainly from a net realisable value (NRV) adjustment on ferrochrome stock. Expenses also include the Rustenburg smelter retrenchments costs of R67 million (2023: Rnil).

Operating and other expenses also include corporate costs of R84 million (2023: R76 million). Corporate costs include a cash-settled share-based payment expense of R15 million (2023: R11 million), Corporate Social Investment expenses of R3 million (2023: R2 million) and a bonus provision of R13 million (2023: R11 million).

Merafe achieved EBITDA of R1 731 million (2023: R2 545 million) and included in the EBITDA is a foreign exchange gain of R29 million (2023: R99 million).

Earnings for the year ended 31 December 2024 amounted to R667 million (2023: R1 753 million), after taking into account a depreciation charge of R354 million (2023: R249 million), net financing income of R65 million (2023: R38 million) and taxation expense of R219 million (2023: R600 million). There was an impairment of the Boshoek smelter by R574 million, additional to impairment of another specific asset by R1 million. This brings the total asset specific impairment loss for the year to R575 million (2023: Rnil). Taxation includes a deferred tax credit of R85 million (2023: R147 million expense), which arose primarily due to temporary differences in property, plant and equipment as well as those relating to receivables, provisions and accruals. There is no unredeemed capital expenditure balance on 31 December 2024 (2023: Rnil) as taxable profits exceeded capital expenditure. Depreciation increased year-on-year primarily as a result of capital expenditure.

Sustaining capital expenditure decreased by 2% to R608 million (2023: R618 million). Expansionary capital includes R43 million (2023: R47 million) spent on the PGMs processing plants. This year's capital expenditure includes spend on additional processing capacity in the Eastern PGMs operations.

The unsecured, credit facility of R300 million with ABSA remained unutilised at year end.

Merafe closed the year with a solid and healthy balance sheet. Cash and cash equivalents were R1 795 million (2023: R1 656 million), comprised cash held by Merafe of R603 million (2023: R697 million) and R1 192 million (2023: R959 million), being Merafe's share of the cash balance in the Venture. The cash held by the Venture for rehabilitation is not restricted cash but has been set aside to fund future environmental rehabilitation obligations. Merafe's share of this cash is R361 million (2023: R328 million) and is included in

Commentary continued

its share of the cash in the Venture of R1 192 million (2023: R959 million) referred to above. The restricted cash of R8 million (2023: R7 million) is not available for general use by the Group and is held in a trust bank account to rehabilitate the Kroondal mine.

Trade and other receivables decreased by 24% compared to the previous year, primarily due to lower sales volumes during the last quarter of 2024 as well as lower prices.

At financial year end, the 83kt (2023: 81kt) of ferrochrome finished goods on hand represented three to four months of sales. The closing inventory value declined to R1 794 million (2023: R1 916 million). This is after the NRV adjustment referred to earlier.

The Board resolved to declare a final dividend of R200 million (2023: R550 million), which is 8 cents (2023: 22 cents) per share before dividend tax. This brings the total dividend for the year to R700 million (2023: R1 050 million).

Safety

For the year 2024, we sadly recorded one fatality. However, our total recordable injury frequency rate improved by 1.47%, reaching 2.31 (2023: 2.34).

The safety of our employees remains our top priority. We are committed to continuously improving our safety performance, focusing on the four key areas identified in our turnaround strategy: risk management, effective supervision, safety culture and contractor management.

Health

We continue to monitor pandemics and other related diseases for any concerning trends that might impact our workforce, ensuring that necessary controls are implemented promptly.

Our commitment to creating a healthy work environment remains steadfast. We will review all health risk assessments and maintain our pre-, annual, and exit medical surveillance to monitor the occupational health of our workforce. Implementing our Health Standards and Health Hazards Exposure Limits is a core strategic focus, integrated with our baseline review to confirm exposures through quantitative data analysis.

Environmental, Social and Governance

Environmental, Social and Governance (ESG) compliance is a fundamental pillar of our business operations. Our Health, Safety, Environmental, Community and Human Rights Standards, introduced in 2021 and fully implemented in 2022, are now deeply integrated into our operations. We are reinforcing our commitment to being a responsible producer through second-line assurance, enhancing transparency, and strengthening our compliance requirements.

As a member of the International Council on Mining and Metals (ICMM), we adhere to the mining principles, which include 10 sustainable development principles and eight position statements covering issues from biodiversity to water management. We recorded no major or catastrophic environmental incidents in 2024. We have completed the assessment of material water-stress risks and set local water targets, implementing actions to reduce impacts and improve performance against these targets. Additionally, we have embarked on a project to visualise our knowledge base using GIS solutions to support decision-making processes.

Our decarbonisation objectives align with those of the Glencore plc Group. Our portfolio profile provides the flexibility to reduce our carbon footprint. We aim to achieve a 50% reduction in our total CO_2e emissions by 2035 compared to our 2019 baseline. Strategic elements towards achieving this target include managing our operational footprint and leveraging opportunities to reduce our scope three emissions.

Operational review

Merafe's attributable ferrochrome production increased marginally from 300kt in 2023 to 301kt for the year ended 31 December 2024. The Rustenburg smelter idled for the full year, however, volumes produced were not impacted as the operation continued operating in the winter months.

Saleable PGM production increased from 6 588oz to 13 957oz as a result of the inclusion of the Eastern PGM plant and improved yields. The PGMX plant has been commissioned and is now producing concentrate.

Cost management remained a key focus. Inflation and an increase in the network demand fee (fixed power charge) led to increased fixed costs. This, coupled with pricing pressure from chrome ore prices, increased production costs while reductions in reductant costs and variable power prices mitigated the overall impact, resulting in only a 2% year-on-year increase in production costs. Despite logistical challenges, projected shipment volumes were achieved. A significant accomplishment was the December 2024 finalisation of a 100MW solar power purchase agreement, furthering the Venture's decarbonisation and cost-optimisation strategies.

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Commentary continued

The investment in Unicorn Chrome Proprietary Limited performed well, benefiting from resilient chrome ore prices. In collaboration with co-investors, we will continue to explore best ways to maximise this investment's value.

The impact of China's substantial ferrochrome production increase (25% in 2024) which exceeded ferrochrome demand, resulted in market oversupply, placing downward pressure on ferrochrome prices and impacting our smelting operations. Despite these challenges, Merafe delivered satisfactory overall results, though 2025 is anticipated to present increased challenges. Management is actively implementing strategies to enhance the business' resilience.

Consultation process in terms of section 189 of the Labour Relations Act, No. 66 of 1995 (s189)

The Venture embarked on an extensive stakeholder consultation process in terms of section 189 of the Labour Relations Act from August 2024. This process was concluded in December 2024. Out of a total of 448 remaining affected employees, 241 employees were redeployed at other operations, while the remaining employees were retrenched (voluntarily or not).

Market review

Global stainless-steel supply grew by 4.8%[1] year-on-year in 2024, driven by increased melt rates across all regions. Production in China expanded by 6.4%[1] year-on-year, surpassing 40 million tonnes[1] and accounting for over 60%[1] of global output. Production in Europe and the United States, while showing some growth, remained significantly below historical levels.

The strong growth in stainless steel production led to an increase in demand for chrome units, particularly in China. However, this rise in demand was more than offset by supply growth, with Chinese ferrochrome production increasing by 25%[1] year-on-year. The expansion of low-cost alloy production capacity in China significantly compressed global smelter margins. Consequently, the ferrochrome oversupply resulted in a sharp decline in ferrochrome prices during H2 2024, which in turn led to a decrease in chrome ore prices.

[1] *CRU Data.*

Business review

The Company has, through the Venture, initiated a business review process in respect of its ferrochrome smelting business and is assessing potential measures to address the ongoing market challenges (Business review) – refer to the SENS announcement published on 3 February 2025.

Business review follows sustained pressure from the prolonged economic downturn in the global ferrochrome market, which pressures are not expected to ease in the near to medium term. Should the Venture not be able to identify viable solutions to sustain profitability, it may have to consider suspension of certain ferrochrome furnaces in May 2025.

The Venture is actively working with regulatory authorities to mitigate any continued adverse impacts and will continue to explore all viable alternatives in partnership with organised labour. Additionally, the Venture has engaged with its suppliers to identify cost-saving measures to help improve the current situation.

Outlook

The outlook for FY2025 anticipates market volatility due to geopolitical tensions, protectionist policies that are being threatened, ongoing regional wars and potential slowdowns in Chinese industrial production. While declining global interest rates might help, inflationary concerns and currency volatility remain risks.

Demand for stainless steel is expected to remain strong, driven by infrastructure development and manufacturing in Asia. South Africa's role as a major chrome ore supplier provides an advantage, but increased Chinese ferrochrome production capacity poses a challenge, putting pressure on pricing. The Company plans to review smelting operations, leverage technology for optimisation and cost reduction, and focus on environmental sustainability (including a new solar plant) and ESG principles to navigate these challenges.

We are dedicated to creating shared value for our stakeholders.

Steve Phiri
Independent Non-executive Chairperson

Zanele Matlala
Chief Executive Officer

Sandton
7 March 2025

Summarised consolidated statement of financial position

as at

This summarised report is extracted from audited information but is not itself audited. The full set of audited consolidated financial statements from which these summarised consolidated financial statements have been derived were prepared under the supervision of Ditabe Chocho CA(SA), Financial Director, as set out more fully in note 1 on page 8 of these financial results.

	Notes	**31 December 2024 R'000**	31 December 2023 R'000
Assets			
Non-current assets			
Property, plant and equipment		1 124 913	1 387 714
Intangible assets		21 188	25 413
Investment in associate		32 676	14 150
Long-term receivable		64 260	37 287
Other long-term receivable		17 730	14 229
		1 260 767	1 478 793
Currents assets			
Inventories		1 794 492	1 916 476
Trade and other receivables		1 175 161	1 544 037
Current tax receivable		116 966	65 218
Cash and cash equivalents		1 794 911	1 655 807
		4 881 530	5 181 538
Non-current assets held for sale	11	–	963
Total assets		6 142 297	6 661 294
Equity and liabilities			
Equity			
Share capital		1 288 876	1 288 876
Retained income		3 587 239	3 969 665
		4 876 115	5 258 541
Liabilities			
Non-current liabilities			
Lease obligation		4 723	5 911
Deferred tax		186 146	271 554
Environmental obligations		142 356	131 330
Share-based payment liability		7 254	10 040
		340 479	418 835
Current liabilities			
Trade and other payables		893 686	945 859
Lease obligation		1 150	3 148
Current tax payable		106	178
Environmental obligations		17 376	10 907
Share-based payment liability		13 385	11 258
		925 703	971 350
Liabilities directly associated with the assets held for sale		–	12 568
Total liabilities		1 266 182	1 402 753
Total equity and liabilities		6 142 297	6 661 294

Summarised consolidated statement of profit or loss and other comprehensive income

for the year ended

	Notes	**31 December 2024 R'000**	31 December 2023 R'000
Revenue	5	8 443 462	9 244 022
Gain on acquisition of joint operation		–	249 909
Foreign exchange gain		29 321	99 377
Other expenses		(6 741 366)	(7 048 087)
Earnings before interest, taxation, depreciation and amortisation		1 731 417	2 545 221
Depreciation and amortisation		(354 410)	(249 319)
Impairments	9	(575 429)	–
Income from equity accounted investment		20 122	19 083
Results from operating activities		821 700	2 314 985
Finance income		66 011	40 941
Finance expense		(1 358)	(2 670)
Profit before taxation		886 353	2 353 256
Taxation		(219 146)	(600 292)
Total comprehensive income for the year		667 207	1 752 964
Earnings per share			
Basic earnings per share (cents)		26.7	70.1
Diluted earnings per share (cents)		26.7	70.1

Summarised consolidated statement of changes in equity

for the year ended

	31 December 2024 R'000	31 December 2023 R'000
Issued share capital – ordinary shares	24 991	24 991
Balance at the end of the year (issued share capital)	24 991	24 991
Share premium – ordinary shares	1 263 885	1 263 885
Balance at the end of the year (share premium)	1 263 885	1 263 885
Balance at the beginning of the year	3 969 665	3 041 413
Total comprehensive income for the year	667 207	1 752 964
Dividends	(1 049 633)	(824 712)
Balance at the end of the year (retained income)	3 587 239	3 969 665
Total equity for the end of the year	4 876 115	5 258 541

Summarised consolidated statement of cash flows

for the year ended

	Notes	**31 December 2024 R'000**	31 December 2023 R'000
Cash flows from operating activities			
Cash generated from operations	6	2 067 819	2 404 525
Dividends received from associate		1 596	11 642
Finance income received		66 359	37 721
Finance expense paid		(2 164)	(3 901)
Taxation paid		(356 374)	(570 661)
Net cash from operating activities		1 777 236	1 879 326
Cash flows from investing activities			
Acquisition of property, plant and equipment – sustaining		(608 373)	(617 551)
Acquisition of property, plant and equipment – expansionary		(53 819)	(53 814)
Proceeds from sale of property, plant and equipment		644	–
Proceeds from sale of land and mineral rights		7 894	–
Other long-term receivable advanced		(3 501)	–
Net cash from investing activities		(657 155)	(671 365)
Cash flows from financing activities			
Repayment of capital portion on lease liabilities		(3 186)	(3 884)
Dividends		(1 049 633)	(824 712)
Net cash from financing activities		(1 052 819)	(828 596)
Total cash movement for the year		67 262	379 365
Cash at the beginning of the year		1 655 807	1 268 599
Effect of exchange rate movement on cash balances		71 842	7 843
Total cash at the end of the year		1 794 911	1 655 807

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Notes to the summarised consolidated financial statements

1. Basis of preparation

On 7 March 2025, the Board approved the audited consolidated annual financial statements of the Group and the Company for the year ended 31 December 2024.

These summarised consolidated financial statements have been prepared under the supervision of Ditabe Chocho CA(SA) (Financial Director), in accordance with the framework concepts and the measurement and recognition requirements of the IFRS® Accounting Standards and the Financial Pronouncements as issued by the Financial Reporting Standards Council and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and containing the information required by IAS 34: Interim Financial Reporting, the JSE Limited Listings Requirements and the Companies Act of South Africa, No. 71 of 2008.

The summarised consolidated financial statements are presented in South African Rand, which is the functional currency of the Group.

The summarised consolidated financial statements are extracted from audited information but is not itself audited and the Board is responsible for the accuracy of the extraction.

The audited consolidated annual financial statements from which the summarised consolidated financial statements were derived have been audited by the Group's auditors, Deloitte & Touche. Their unmodified audit report along with the audited consolidated annual financial statements can be obtained from the Company on written request from Merafe's company secretary, CorpStat Governance Services Proprietary Limited (w.somerville@mweb.co.za) and are available on the Company's website at https://www.meraferesources.co.za/results/annuals-2024/pdf/afs.pdf.

Any reference to future financial performance included in these summarised consolidated financial statements has not been audited or reported on by the Company's auditors.

1.1 Accounting policies

The accounting policies applied in the preparation of these summarised consolidated financial statements are in terms of IFRS Accounting Standards and are consistent with those applied in the previous audited consolidated annual financial statements, except for the adoption of various revised and/or new standards. The adoption of new standards did not have a material impact on the Group. The Group did not early adopt any new, revised or amended accounting standards or interpretations.

1.2 Significant accounting judgements and key sources of estimation uncertainty

The preparation of the summarised consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates are reviewed on an ongoing basis. Underlying assumptions are also reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the summarised consolidated financial statements are as follows:

- Measurement of depreciation and impairment, useful lives and residual values of property, plant and equipment and intangible assets.
- Inputs used in the determination of the fair value of the share-based payment transactions, lease classification and depreciation of right-of-use assets.
- Assumptions used in the calculation of the life of the mines/smelters, estimation of the closure and restoration costs and inputs used in the calculation of the present value of the provision for closure, restoration costs and discount rate applied.
- Recognition of deferred tax assets on assessable losses.
- Fair value measurement of trade receivable subject to provisional pricing.
- Assumptions around joint control of the Venture.

Notes to the summarised consolidated financial statements continued

- Impairment of non-financial assets – the Group determines whether any cash-generating units are impaired at each reporting date. This requires consideration of the current and future economic and trading environment and available valuation information to ascertain if there are indications of impairment to those owned by the Group.
- Inventories – the Group determines whether there is obsolete inventory on an annual basis and adjustments to the net realisable value of inventory as required.
- Financial risk management – the Group assesses credit risk and the impact of liquidity risk, cash and cash equivalents and trade and other receivables. There has been no material increase in either liquidity risk or own credit risk based on this assessment.
- Contingent liabilities – the Group exercises judgement in measuring and recognising the provisions and the exposure to contingent liabilities related to unresolved tax matters. Judgements, including those involving estimations, are necessary in assessing the likelihood that a pending tax dispute will be resolved or a liability will arise and to quantify the possible range of the tax exposure.

The global environment, the risk of adverse impacts on our revenue, costs and the Group's capital expenditures were all considered in determining the accounting estimates and judgements for the year.

These disclosures are included in the audited consolidated annual financial statements.

2. Determination of fair values

Several of the accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities.

Fair values are determined for measurement and disclosure purposes based on the below methods.

2.1 Trade receivables subject to provisional pricing terms

Trade receivables of R73 million (2023: R67 million) are subject to provisional pricing terms, accordingly accounted for at fair value through profit and loss. Level 2 hierarchy per IFRS 13: Fair Value Measurement.

The fair value at the reporting date is based on the latest available ferrochrome prices and a closing foreign exchange rate of R18.89 (2023: R18.27).

2.2 Long-term receivable

In 2017, the Venture entered into an asset swap arrangement with Rustenburg Chrome Mine Proprietary Limited (RCM) through which the Venture's mineral rights were swopped for RCM's mineral rights. A receivable of R64 million (2023: R37 million) arises through ore recovery and the sale from mining in the rights area. No ECLs were recognised for this receivable as the debtor is revalued at each reporting period based on the latest mining plans and probabilities and measured at its fair value based on these inputs and forward-looking commodity prices. Level 3 hierarchy per IFRS 13: Fair Value Measurement.

The discounted cash flow valuation technique was used, with the key inputs being the discount rate, ZAR:USD exchange rate and a forward-looking chrome price. The cash flows are based on the life-of-mine plan of 10 years. The fair value at the reporting date is based on chrome ore prices of USD231.45 per metric tonne, an average ZAR:USD exchange rate of 19.22 and a discount rate of 9.01%. There were no transfers between fair value hierarchy levels during the period. There was also no change in the valuation technique compared to the prior corresponding period.

Reconciliation of Level 3 fair value measurements	**For the year ended**	
	31 December 2024 Audited R'000	31 December 2023 Audited R'000
Opening balance	37 287	38 663
Total gains or losses in profit or loss	26 973	(1 376)
Closing balance	64 260	37 287

Notes to the summarised consolidated financial statements continued

3. Headline earnings

The calculation of headline and diluted HEPS is based on the earnings attributable to ordinary shareholders – as used in the calculation for basic earnings, adjusted in terms of Circular 1/2023, Headline earnings.

	For the year ended		
		31 December 2024	31 December 2023
		Audited	Audited
Headline earnings reconciliation:		**R'000**	R'000
	Gross	**Net of taxation**	Net of taxation
Basic earnings		667 207	1 752 964
Adjustments:		405 678	(249 888)
IFRS 3 gain on acquisition of joint operation	–	–	(249 909)
IAS 16 profit on the disposal of land and mineral rights	(19 061)	(13 914)	–
IAS 16 profit/(loss) on the disposal of plant and equipment	(644)	(470)	21
IAS 16 impairment of property, plant and equipment	575 429	420 063	–
Headline earnings		1 072 885	1 503 076
Headline earnings per share (cents)		42.9	60.1
Diluted headline earnings per share (cents)		42.9	60.1
Ordinary shares in issue		2 499 126 870	2 499 126 870
Weighted average number of shares for the period		2 499 126 870	2 499 126 870
Diluted weighted average number of shares for the period		2 499 126 870	2 499 126 870

4. Capital commitments

Contracted but not provided for	218 246	208 960
Authorised but not contracted for	552 179	306 128
	770 425	515 088

5. Revenue

Ferrochrome sales*	5 908 878	6 885 467
Chrome ore sales	2 262 221	2 222 204
PGMs concentrate sales**	267 055	133 470
Revenue from contracts with customers	8 438 154	9 241 141
Management fees	1 200	1 200
Other income***	4 108	1 681
Revenue other than from contracts with customers	5 308	2 881
Total revenue	8 443 462	9 244 022

* *Ferrochrome sales include provisional pricing adjustments of R15 million (2023: R32 million).*
** *All PGMs concentrate sales are to customers in South Africa.*
*** *Other income includes revenue from sale of scraps and silica.*

Notes to the summarised consolidated financial statements continued

Geographical areas of ferrochrome sales to customers

The majority of customers are stainless steel mills located at the following revenue destinations:

	2024		2023	
	Revenue	**% of revenue in relation to total ferrochrome revenue**	Revenue	% of revenue in relation to total ferrochrome revenue
Revenue destination	R'000		R'000	
Africa*	211 328	4	207 443	3
Americas**	557 401	9	362 759	5
Asia***	4 023 250	68	5 093 698	74
Europe****	1 116 899	19	1 221 567	18
	5 908 878	**100**	6 885 467	100

* *Includes South Africa.*
** *Includes Brazil and USA.*
*** *Includes China, India, Japan, South Korea, Taiwan, Singapore and Australia.*
**** *Includes England, Finland, Italy, Luxembourg, Netherlands, Slovenia and Spain.*

Geographical areas of chrome ore sales from customers

	2024		2023	
	Revenue	**% of revenue in relation to total chrome ore revenue**	Revenue	% of revenue in relation to total chrome ore revenue
Revenue destination	R'000		R'000	
South Africa	506 580	22	482 837	22
Asia, Australia, Mexico and Europe	1 755 641	78	1 739 367	78
	2 262 221	100	2 222 204	100

Sales to the following customers individually comprise more than 10% of total sales:

	2024		2023	
	Revenue	**% of revenue in relation to total ferrochrome revenue**	Revenue	% of revenue in relation to total ferrochrome revenue
Key customers	R'000		R'000	
Customer A	1 324 230	22	1 783 005	26
Customer B	955 912	16	1 535 696	22
	2 280 142	38	3 318 701	48

	2024		2023	
	Revenue	**% of revenue in relation to total chrome ore revenue**	Revenue	% of revenue in relation to total chrome ore revenue
Key customers	R'000		R'000	
Customer C	351 919	16	–	–

Notes to the summarised consolidated financial statements continued

6. Cash generated from operations

R'000	For the year ended **2024**	Restated 2023
Profit before taxation	886 353	2 353 256
Adjustments for non-cash items:		
Depreciation and amortisation	354 410	249 319
Impairments	575 429	–
Gain on acquisition of joint operation	–	(249 909)
Effect of exchange rate fluctuations	(71 842)	(7 843)
Movements in rehabilitation provision	17 837	(25 635)
Income from equity accounted investment	(20 122)	(19 083)
Other non-cash movement	(943)	4 422
(Profit) on sale of land and mineral rights	(19 061)	–
(Profit) loss on sale of property, plant and equipment	(644)	29
Fair value adjustment on provisionally priced revenue	(13 486)	(781)
Movement in long-term receivable	(26 973)	1 376
Movement in share-based payment liability	(659)	–
Share grants vested	–	(10 129)
Share-based payment expense	–	11 115
Net realisable value inventory adjustment	79 293	2 046
Finance income	(66 011)	(40 941)
Finance expense	1 358	2 670
Changes in working capital:		
Inventories	42 691	454 168
Trade and other receivables	382 362	(417 133)
Trade and other payables	(52 173)	97 578
	2 067 819	2 404 525

Cash flows from operations have been restated to correct for the omission of non-cash movements resulting from the gain on the acquisition of the joint operation of R250 million with adjustments to changes in working capital movements. The changes to working capital included a R0.15 million increase in inventory, R258 million decrease in trade and other receivables and an R8 million decrease in trade and other payables.

Notes to the summarised consolidated financial statements continued

7. Related parties

Related-party transactions and balances

During the current year, management reviewed its related party relationships in accordance with IAS 24: Related Party Disclosures. The Glencore plc Group was identified as a related party taking into consideration the shareholding and related significant influence coupled with the substance of the relationship. Significant transactions and balances with all entities within the Glencore plc Group are therefore disclosed together with the comparative figures.

All related-party transactions relate to Merafe's attributable 20.5% interest in the Venture. There are no outstanding commitments as at 31 December 2024.

Name of related party	Description of relationship	Transactions and balance
Industrial Development Corporation of South Africa Limited (IDC)	The IDC holds 21.9% of the issued share capital of the Company and has the ability to exercise significant influence over the Company as a result of its shareholding.	The IDC received the non-executive director's fees for Mr D McGluwa. The IDC received dividends declared by the Company. At the reporting date, there are no amounts payable to the IDC.
Glencore (Nederland) B.V. (GN)	GN holds 28.8% of the issued share capital of the Company and has the ability to exercise significant influence over the Company as a result of its shareholding.	GN received dividends declared by the Company. At the reporting date, there are no amounts due to GN.
Glencore Limited (Stamford) (GLS)	GLS acts as the Venture's exclusive marketing agent to sell ferrochrome on its behalf and acts as a distributor in the USA and Canada.	Sale of ferrochrome of R554m (2023: R342m). Commission expense R13m of (2023: R7m). Net interest expense R13m of (2023: R12m). Receivable at the reporting date of R134m (2023: R99m) is reduced as and when GLS receives funds from customers and is receivable 120 days after the bill of lading.
Glencore International AG (GIAG)	GIAG acts as the Venture's exclusive marketing agent to sell ferrochrome and chrome ore on its behalf. The Venture purchases various raw materials from GIAG on an ongoing basis. The Venture sells chrome ore to GIAG on an *ad hoc* basis.	Commission expense on the sale of ferrochrome and chrome ore of R324m (2023: R369m). Marketing fee expense of R2m (2023: R2m). Net interest income of R12m (2023: R19m). Purchase of raw materials of R9m (2023: R50m). Balance owing at the reporting date of R30m (2023: R40m) payable on confirmation of final sales.
Char Technology Proprietary Limited (Chartech)	Chartech sells raw materials to the Venture.	Purchase of raw materials of R129m (2023: R152m). Balance owing at the reporting date of R9m (2023: R14m) payable 30 days from the statement date.
Glencore Holdings SA Proprietary Limited (GHSA)	GHSA offers the Central Treasury Function for the Venture.	Cash deposits of R831m (2023: R631m) and rehabilitation investment of R361m (2023: R328m).

Notes to the summarised consolidated financial statements continued

7. **Related parties** continued

Name of related party	Description of relationship	Transactions and balance
Glencore Operations South Africa Proprietary Limited (GOSA)	GOSA is Merafe Ferrochrome and Mining Proprietary Limited's partner in the Venture.	Employee costs of R176m (2023: R171m). Head-office costs of R38m (2023: R89m). Training costs of R12m (2023: R8m). Lion housing of R23m (2023: R21m). Shared service centre costs of R13m (2023: R11m). Balance owing at the end of the year of R15m (2023: R120m) payable 10 days after month end. GOSA received the non-executive director's fees for Mr D Green. At the reporting date, a loan receivable of R50m (2023: R177m loan payable) is owed to Merafe Ferrochrome.
Glencore Property Management Company Proprietary Limited (GPMC)	GPMC provides rental property to the Venture.	Rental of CSI offices of R0.4m (2023: R0.4m). Balance owing at the reporting period of R0.3m (2023: R0.04m) payable 30 days from the statement date.
Astron Energy Proprietary Limited (Astron)	Astron sells fuel to the Venture.	Purchases of R35m (2023: R37m). Payable of R3m (2023: R3m) at the reporting date.
Cassian Trade AG (Cassian Trade)	Cassian Trade acts as the Venture's exclusive marketing agent to sell ferrochrome and chrome ore on its behalf.	Receivable at the reporting date of R7m (2023: Rnil)
Impala Chrome Proprietary Limited (Impala)	Impala is an associate jointly controlled by the Venture.	Revenue from logistics, marketing and maintenance contracts of R42m (2023: R54m). Receivable at the reporting date of R3m (2023: Rnil).
Unicorn Chrome Proprietary Limited (Unicorn)	Unicorn is a jointly controlled operation by the Venture.	Unicorn declared a dividend of R2m to Merafe Ferrochrome.

Notes to the summarised consolidated financial statements continued

8. Taxation

The Group's effective tax rate is 24.72% (2023: 25.50%) for the year ended 31 December 2024.

9. Impairment of property, plant and equipment

The Group concluded that the Boshoek smelter should be fully impaired resulting in an impairment write off of R574 million relating thereto at year end. This was in light of grounds pointing to the likely impairment of some of our smelting operations. This conclusion was reached after considering several critical factors which included the state of the ferrochrome market and the level of our operating costs.

An additional impairment of R1 million (2023: Rnil) arose due to a specific asset being damaged. This brings the total impairment loss for the year to R575 million.

10. Inventories

During the reporting period, inventory was written down to its net realisable value due to low commodity prices at the reporting date. This resulted in a loss of R79 million (2023: R2 million).

11. Disposal of Boshoek mine

On 16 August 2022, the Group agreed with GOSA to dispose of the mineral rights and land that form part of Boshoek mine. The liability directly associated with Boshoek mine was the environmental rehabilitation obligation, which formed part of the sale. The final regulatory approval was received from the Department of Mineral Resources and Energy on 5 June 2024 and all suspensive conditions of the sale were met on 20 June 2024.

Boshoek mine remained classified as a non-current asset held for sale for the period until the date of sale. Prior to and up to the date of sale, it was on care and maintenance.

12. Changes in estimate

During the current period, the environmental rehabilitation provision was reassessed, which resulted in a change in the discount rate. The impact of the change resulted in the reduction of the provision of R0.3 million (2023: R114 million credit). The change in the environmental rehabilitation provision was applied to property, plant and equipment.

13. Share capital

There were no changes to share capital during the reporting period.

14. Contingent liabilities

The Group is subject to direct and indirect tax in the South African jurisdiction. The Group's subsidiary undertakes various cross-border transactions within the Venture, subject to the Group's transfer pricing policies. As a result, significant judgement is required to determine the Group's provisions for income taxes. The income tax and annual assessments are subject to examination within prescribed periods by the South African Revenue Service (SARS).

SARS finalised the audit of the previously reported transfer pricing matter on 30 October 2024 and adjusted (increased) the Group's taxable assessments for the 2016 and 2017 years. Pursuant to the finalisation of the audit, SARS issued additional assessments on 30 October 2024 levying additional income tax, dividends tax, understatement penalties, and interest in the aggregate amount of R406 million against the Group for the 2016 and 2017 years.

The Group disagrees with the additional assessments and will lodge an objection against the additional assessments. The Group has applied for a full suspension of payment of the disputed tax debt, pending its objection and Tax Court appeal process.

Management continues to rely on opinions obtained from external legal and tax advisers to inform and support the significant judgement required in interpreting relevant tax legislation. The matter has been disclosed as a contingent liability as its outcome, due to the dispute, remains uncertain and any potential tax exposure cannot be reliably estimated. Accordingly, the consolidated financial statements have made no adjustment for any effects on the Group.

Notes to the summarised consolidated financial statements continued

15. Events after the reporting period

Dividend

As reported above, on 7 March 2025, the Board resolved to declare a final cash dividend of 8 cents (2023: 22 cents) per share for the 2024 financial year. The total gross cash dividend for the year amounted to 28 cents (2023: 42 cents) per share.

Business review

Post year-end, the Company, via the Venture, initiated a business review process in respect of its ferrochrome smelting business. Details thereof are outlined earlier in this announcement under the business review section.

Contingent liability

Note 14 of this announcement provides details of the pending transfer pricing matter with SARS. While the Group had applied for full suspension of payment, communication was received from SARS post year-end, partially suspending payment. The amount which has not been suspended and therefore payable is R232 million. Pursuant to section 9 of the Tax Administration Act, the Company has requested SARS to reconsider its decision to partially decline the request for suspension of payment.

Update regarding chrome ore operations

The Venture has entered into a mutually beneficial enhancement to its historical agreement with Lonmin plc, as well as a new chrome management agreement with, inter alios, Sibanye-Stillwater Limited. Refer to the SENS published on 19 February 2025.

It is anticipated that the new agreement will result in increased feed and improved recoveries, thereby optimising production yields and reducing operational costs across all relevant chrome recovery plants.

Other

The directors of Merafe are unaware of any material events that occurred after the reporting period and up to the date of authorisation of this report that may require adjustment or disclosure in these summarised financial statements.

16. Declaration of an ordinary cash dividend for the year ended 31 December 2024

Notice is hereby given that a gross final cash dividend of 8 cents per share (2023: 22 cents per share) has been declared by the Board on Friday, 7 March 2025, payable to holders of ordinary shares.

The dividend will be paid out of income reserves.

The ordinary dividend will be subject to a local dividend tax rate of 20%. The net local ordinary dividend to those shareholders who are not exempt from paying dividend tax is therefore 6.4 cents per share. Merafe's income tax number is 9550 008 602. The number of ordinary shares issued at the date of the declaration is 2 499 126 870.

The important dates pertaining to the dividend are as follows:

	2025
Last day for ordinary shares to trade *cum* ordinary dividend:	Tuesday, 1 April
Ordinary shares commence trading *ex*-ordinary dividend:	Wednesday, 2 April
Record date:	Friday, 4 April
Payment date:	Monday, 7 April

Shareholders will not be permitted to dematerialise or rematerialise their ordinary shares between Wednesday, 2 April 2025 and Friday, 4 April 2025, both days inclusive.

Notice of annual general meeting

Merafe Resources Limited

(Incorporated in the Republic of South Africa)
(Registration number 1987/003452/06)
ISIN: ZAE000060000
JSE and A2X share code: MRF
(hereinafter referred to as Merafe Resources or the Company or the Group)

Notice is hereby given in terms of section 62(1) of the Companies Act, No. 71 of 2008, as amended (Companies Act) that the 38th (thirty-eighth) annual general meeting of shareholders of the Company (the annual general meeting) will only be accessible through electronic participation, as permitted in terms of clause 21 of Merafe Resources' memorandum of incorporation (MOI) and the Companies Act at 11:00 on Tuesday, 13 May 2025 (Notice), subject to any cancellation, postponement or adjournment, for the purpose of transacting the business as outlined in this Notice, and to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below.

Important dates

Record date to receive the Notice:	Friday, 28 March 2025
Posting of the Notice:	Tuesday, 8 April 2025
Last date to trade to be eligible to attend, participate in and vote at the annual general meeting:	Friday, 25 April 2025
Record date to be eligible to attend, participate in and vote at the annual general meeting:	Friday, 2 May 2025
Last date for lodging forms of proxy (by 11:00):	Friday, 9 May 2025*

Accordingly, the date on which a person must be registered as a shareholder in the register of the Company for purposes of being entitled to attend, participate and vote at the annual general meeting is Friday, 2 May 2025.

* *For administrative purposes only. If forms of proxy are not received by this date, they must be submitted to the Chairperson of the annual general meeting electronically before the appointed proxy exercises any of the relevant shareholder rights at the annual general meeting.*

Interpretation and definitions

Unless otherwise defined herein, capitalised words and terms contained in this Notice shall bear the same meanings ascribed thereto in the Integrated Annual Report for the year ended 31 December 2024 (2024 Integrated Annual Report).

Any words and expressions defined in the Companies Act or the JSE Limited Listings Requirements (Listings Requirements), as the case may be, which are not defined in this Notice, shall bear the same meanings in this Notice as those ascribed to them in the Companies Act or the Listings Requirements, as the case may be.

Integrated Annual Report

Merafe's 2024 Integrated Annual Report can be accessed electronically on the Merafe website at https://www.meraferesources.co.za/reports/ir-2024/index.php

Section A: Ordinary Resolutions

For Ordinary Resolutions 1 to 7 (inclusive) to be duly adopted, the support of more than 50% (fifty percent) of the voting rights exercised on each ordinary resolution by shareholders present or represented by proxy at the annual general meeting and entitled to exercise voting rights on the relevant resolution, must be exercised in favour of such resolution.

Notice of annual general meeting continued

1. Ordinary Resolution Number 1: Adoption of annual financial statements and reports from the directors and relevant committees

"Resolved that the Group audited annual financial statements, including the reports of the directors, the auditor, the Audit and Risk Committee, as well as the Social, Ethics and Transformation Committee and Remuneration and Nomination Committee, for the financial year ended 31 December 2024, be and are hereby considered and accepted."

The summarised form of the financial statements, the Social, Ethics and Transformation Committee report as well as the Remuneration Report is included in the 2024 Integrated Annual Report. A copy of the complete Group audited annual financial statements for the financial year ended 31 December 2024 can be obtained from www.meraferesources.co.za or on request during normal business hours at the Company's registered address, Building B, 2nd Floor, Ballyoaks Office Park, 35 Ballyclare Drive, Bryanston, 2191.

Note to Ordinary Resolution Number 1

In terms of the provisions of section 61(8)(a) of the Companies Act, a company's annual financial statements, the directors' report, audit committee report, social and ethics committee report and remuneration report must be presented to the Company's shareholders at each general meeting of the company.

2. Ordinary Resolution Numbers 2.1 to 2.3: Re-election of retiring directors

Ordinary Resolution 2.1

"Resolved that Ms N Mabusela-Aikhuere who, in terms of the MOI, retires by rotation at this annual general meeting and, being eligible, stands and offers herself for re-election, be and is hereby re-elected."

Ordinary Resolution 2.2

"Resolved that Mr J Mclaughlan who, in terms of the MOI, retires by rotation at this annual general meeting and, being eligible, stands and offers himself for re-election, be and is hereby re-elected."

Ordinary Resolution 2.3

"Resolved that Mr K Tlale who, in terms of the MOI, retires by rotation at this annual general meeting and, being eligible, stands and offers himself for re-election, be and is hereby re-elected."

Notes to Ordinary Resolution Numbers 2.1 to 2.3

- The reason for Ordinary Resolution numbers 2.1 to 2.3 is that in terms of the provisions of the MOI, one-third of the non-executive directors, or if their number is not a multiple of three, then the number nearest to, but not less than one-third, are required to retire at each annual general meeting and, being eligible, may offer themselves for re-election.
- The board of directors of the Company (Board) has evaluated the performance and contribution of the directors standing for re-election and has recommended the re-election of the directors.

Abridged *curricula vitae* of each of the independent non-executive directors proposed to be appointed to the Audit and Risk Committee appear on page 28 of this Notice.

3. Ordinary Resolution Numbers 3.1 to 3.3: Appointment of members to the Audit and Risk Committee for the forthcoming financial year

"Resolved that the following members, by separate Ordinary Resolutions numbered 3.1 to 3.3 (inclusive), being eligible and offering themselves for election, be and are hereby appointed as members of the Audit and Risk Committee for the financial year ending 31 December 2025:

3.1 Ms M Vuso;
3.2 Mr K Tlale (subject to re-election under Ordinary Resolution 2.3 above); and
3.3 Ms N Mabusela-Aikhuere (subject to re-election under Ordinary Resolution 2.1 above)."

Notes to Ordinary Resolution Numbers 3.1 to 3.3

- Ordinary Resolutions numbered 3.1 to 3.3 (inclusive) above constitute separate and divisible ordinary resolutions and will be considered by separate vote.
- The reason for Ordinary Resolutions numbered 3.1 to 3.3 (inclusive) is that in terms of the provisions of section 94(2) of the Companies Act, a company shall at every annual general meeting elect an Audit Committee comprising at least three members.
- The Nomination Committee conducted an assessment of the independence and performance, where applicable, of each of the directors proposed to be elected as members of the Audit and Risk Committee and the Board considered and accepted the findings of the Nomination Committee. The Board is also satisfied that the proposed members meet the provisions of section 94(4) of the Companies Act, that they are independent according to King IV Report on Corporate Governance for South Africa, 2016 (King IV) (Principle 7; recommended practice 28) and that they possess the required qualifications and experience as prescribed in Regulation 42 of the Companies Regulations, 2011 and therefore recommends their appointment.

Abridged *curricula vitae* of each of the independent non-executive directors proposed to be appointed to the Audit and Risk Committee appear on page 28 of this Notice.

4. Ordinary Resolution Numbers 4.1 to 4.5: Election of members to the Social, Ethics and Transformation Committee members

"Resolved that the following individuals, by separate Ordinary Resolutions numbered 4.1 to 4.5 (inclusive), being eligible and offering themselves for election, be and are hereby elected as members of the Social, Ethics and Transformation Committee until conclusion of the next annual general meeting of the Company to be held in 2026:

4.1 Mr D Chocho;
4.2 Mr D McGluwa;
4.3 Ms N Mabusela-Aikhuere (subject to re-election under Ordinary Resolution 2.1 above);
4.4 Mr S Phiri; and
4.5 Ms Z Matlala."

The Social, Ethics and Transformation Committee is currently constituted as above, with a majority of the members being non-executive directors.

Notice of annual general meeting continued

4. Ordinary Resolution Numbers 4.1 to 4.5: Election of members to the Social, Ethics and Transformation Committee members continued

Notes to Ordinary Resolution Numbers 4.1 to 4.5

- On Friday. 26 July 2024, both the Companies Amendment Bill and the Companies Second Amendment Bill were signed into law. Following the proclamation issued by the President of the Republic of South Africa and published in the Government Gazette Vol 714 No. 51837 on Friday, 27 December 2024, certain sections of the Companies Amendment Act, No. 16 of 2024 and the entirety of the Companies Second Amendments Act, No. 17 of 2024 (Companies Act Amendments), are now in force.
- Pursuant to the Companies Act Amendments, section 61(8)(c)(iii) read with section 72(9A) of the Companies Act requires that shareholders elect the members of the Company's social and ethics committee at each annual general meeting.
- The Social, Ethics and Transformation Committee is currently constituted as above, with a majority of the members being non-executive directors as required by the Companies Act.
- The Nomination Committee assessed the suitability of each member, taking into consideration independence, performance, and skill and expertise requirements, and the Board accepted the results of the assessment. Accordingly, the Board recommends their election as members of the Social, Ethics and Transformation Committee to shareholders.

Abridged *curricula vitae* of each of the directors proposed to be appointed to the Social, Ethics and Transformation Committee appear on pages 28 and 29 of this Notice.

5. Ordinary Resolution Number 5: Re-appointment of external auditors of the Company

"Resolved that the re-appointment of Deloitte & Touche as the external registered auditors of the Company, and being independent from the Company, be and is hereby approved and Ms Tumellano Morake (IRBA No. 389401) be and is hereby re-appointed as the designated audit partner for the financial year ending 31 December 2025."

Notes to Ordinary Resolution Number 5

- The reason for this resolution is that in terms of section 90(1) of the Companies Act, a company is required to appoint an auditor who meets the requirements of section 90(2) of the Companies Act at every annual general meeting.
- The duty to nominate auditors for appointment lies with the Audit and Risk Committee.
- The Audit and Risk Committee conducted an assessment of the performance and independence of the external auditors and considered whether or not the external auditors comply with the provisions of the Companies Act and paragraph 3.84(g)(iii) read with paragraphs 3.86 and 3.87 of the Listings Requirements, and the Board considered and accepted the findings. The Board is satisfied that the proposed external auditors and Ms Tumellano Morake comply with the relevant provisions of the Companies Act and the Listings Requirements.

6. Ordinary Resolution Number 6: Authority to sign all documents required to give effect to all resolutions in this Notice

"Resolved that any one of the directors of the Company or Company Secretary be and is hereby authorised to do all such things and sign all such documents and procure the doing of all such things and the signature for all such documents as may be necessary or incidental to give effect to all ordinary and special resolutions passed at the annual general meeting."

Section B: Ordinary Resolutions of a non-binding nature

7. Non-binding Advisory vote: Remuneration Policy and Remuneration Implementation Report

For Ordinary Resolutions numbered 7.1 and 7.2 to be duly adopted so that no engagement with dissenting shareholders will be required, the support of more than 75% (seventy-five percent) of the voting rights exercised on each of Ordinary Resolution numbered 7.1 and 7.2 by shareholders present or represented by proxy at the annual general meeting and entitled to exercise voting rights on the relevant resolution, must be exercised in favour of such resolution.

Ordinary Resolution Number 7.1: Non-binding advisory vote on Remuneration Policy

"Resolved that the Company's Remuneration Policy be and is hereby endorsed by way of a non-binding advisory vote."

Ordinary Resolution Number 7.2: Non-binding advisory vote on Remuneration Implementation Report

"Resolved that the Company's Remuneration Implementation Report be and is hereby endorsed by way of a non-binding advisory vote."

The Remuneration Policy and Remuneration Implementation Report of the Company are set out on pages 32 to 44 of this Notice. The Remuneration Policy and Remuneration Implementation Report can be obtained from www.meraferesources.co.za or on request during normal business hours at the Company's registered address, Building B, 2nd Floor, Ballyoaks Office Park, 35 Ballyclare Drive, Bryanston, 2191.

Notes to Ordinary Resolution Numbers 7.1 and 7.2

- The Listings Requirements require, and Principle 14: sub-practice 37 of King IV recommends, that companies table their remuneration policy and implementation report at every annual general meeting for a non-binding advisory vote by shareholders. This vote enables shareholders to express their views on the remuneration policies adopted and on their implementation.
- These resolutions are of an advisory non-binding nature only and failure to pass these resolutions will therefore not have any legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when considering the Company's Remuneration Policy and Remuneration Implementation Report.
- Shareholders are reminded that in terms of the Listings Requirements and King IV, should 25% (twenty-five percent) or more of the votes cast be against one or both of these non-binding ordinary resolutions, the Company undertakes to engage with shareholders as to the reasons therefor and undertakes to make recommendations based on the feedback received.

Section C: Special Resolutions

For Special Resolutions numbered 1.1 to 1.8 and 2 to be duly adopted, the support of at least 75% (seventy-five percent) of the voting rights exercised on each special resolution must be exercised by shareholders present or represented by proxy at the annual general meeting and entitled to exercise voting rights on the resolution concerned in favour of such resolution.

8. Special Resolution Numbers 1.1 to 1.8: Approval of non-executive directors' fees

"Resolved that the fees, which will be payable to the non-executive directors for their services to the Board and committees of the Board with effect from 1 January 2025, as set out below, be and are hereby approved by separate Special Resolutions numbered 1.1 to 1.8 (inclusive)."

		2025					
	Special Resolution Number	Total fees per annum R	Retainer 60% R	Monthly retainer fees R	Retainer per quarter R	Fees atten-dance 40% R	Fees atten-dance per meeting R
Board Chairperson	1.1	903 596	542 158	45 180	135 539	361 438	90 360
Board Member	1.2	350 404	210 242	17 520	52 561	140 162	35 040
Audit and Risk Committee Chairperson	1.3	256 676	154 005	12 834	38 501	102 670	25 668
Audit and Risk Committee Member	1.4	160 955	96 573	8 048	24 143	64 382	16 095
Remuneration and Nomination Committee Chairperson	1.5	172 729	103 637	8 636	25 909	69 092	23 031
Remuneration and Nomination Committee Member	1.6	105 434	63 260	5 272	15 815	42 174	14 058
Social, Ethics and Transformation Committee Chairperson	1.7	159 935	95 961	7 997	23 990	63 974	21 325
Social, Ethics and Transformation Committee Member	1.8	105 434	63 260	5 272	15 815	42 174	14 058

The 2025 proposed fees in accordance with the Remuneration policy are set out above and would result in an overall increase of 5% from the previous year. This increase and the allocation take into account the previous benchmarking exercise and inflation. The above fees are exclusive of value added tax (VAT).

Notes to Special Resolution Numbers 1.1 to 1.8

- Special Resolutions numbered 1.1 to 1.8 (inclusive) above constitute separate and divisible special resolutions and will be considered by separate vote.
- The reason for and the effect of these resolutions is to approve the remuneration payable by the Company to its non-executive directors for their services as non-executive directors of the Company. In terms of the provisions of section 66(8) and section 66(9) of the Companies Act, remuneration may only be paid to the directors for their services as directors in accordance with the MOI and only by a special resolution approved by the shareholders within the previous two years.

Notice of annual general meeting continued

8. Special Resolution Numbers 1.1 to 1.8: Approval of non-executive directors' fees continued

The 2024 non-executive fees (exclusive of VAT) are set out in the table below for comparative purposes:

	2024					
	Total fees per annum R	**Retainer 60% R**	**Monthly retainer fees R**	**Retainer per quarter R**	**Fees atten-dance 40% R**	**Fees atten-dance per meeting R**
Board Chairperson	860 568	516 341	43 028	129 085	344 227	86 057
Board Member	333 718	200 231	16 686	50 058	133 487	33 372
Audit and Risk Committee Chairperson	244 453	146 672	12 223	36 668	97 781	24 445
Audit and Risk Committee Member	153 290	91 974	7 665	22 994	61 316	15 329
Remuneration and Nomination Committee Chairperson	164 504	98 702	8 225	24 676	65 802	21 934
Remuneration and Nomination Committee Member	100 413	60 248	5 021	15 062	40 165	13 338
Social, Ethics and Transformation Committee Chairperson	152 319	91 391	7 616	22 848	60 928	20 309
Social, Ethics and Transformation Committee Member	100 413	60 248	5 021	15 062	40 165	13 388

9. Special Resolution Number 2: General authority to repurchase Company shares

"Resolved that, the Company, or a subsidiary of the Company, be and is hereby authorised, by way of a general authority, to acquire ordinary shares of 1 cent each (ordinary shares) issued by the Company in terms of the provisions of sections 46 and 48 of the Companies Act and in terms of the Listings Requirements, it being recorded that the Listings Requirements currently require, *inter alia*, that the Company may make a general repurchase of securities only if:

- any such repurchase of ordinary shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- authorised by the MOI;
- the general authority shall be valid until the next annual general meeting of the Company, provided that it shall not extend beyond 15 months from the date of this Special Resolution Number 2;

The Merafe Resources 2024 Integrated Annual Report and the Merafe Resources 2024 audited consolidated and separate annual financial statements are available on our website (www.meraferesources.co.za) and printed copies are available on request from the Company Secretary.

9. Special Resolution Number 2: General authority to repurchase Company shares continued

- when the Company has cumulatively repurchased 3% (three percent) of the number of ordinary shares in issue on the date of passing of Special Resolution Number 2, and for each 3% (three percent) thereof, in aggregate acquired thereafter, an announcement is published as soon as possible, in terms of the Listings Requirements;
- at any one time, only one agent is appointed to effect any repurchase on the Company's behalf;
- the Company or its subsidiary will not repurchase securities during a prohibited period as defined in terms of the Listings Requirements unless the Company has a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period;
- the Company will instruct only one independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE in writing and including the details required in terms of paragraph 5.72(h) of the Listings Requirements;
- any general repurchase by the Company of its own ordinary shares shall not, in aggregate, in any one financial year exceed 10% (ten percent) of the Company's issued ordinary shares as at the date of passing of this Special Resolution Number 2;
- in determining the price at which the ordinary shares are repurchased by the Company or its subsidiary in terms of this general authority, the maximum price at which such shares may be repurchased will not be greater than 10% (ten percent) above the weighted average of the market value for such ordinary shares for the 5 (five) business days immediately preceding the date of repurchase of such shares;
- in the case of acquisitions by a subsidiary of the Company, such acquisitions, together with shares held by all subsidiaries of the Company, shall be limited to an aggregate maximum of 10% (10 percent) of the Company's issued share capital; and
- the directors of the Company have passed a resolution that they have authorised the repurchase, that the Company and its subsidiaries have passed the solvency and liquidity test and since the test was performed, there have been no material changes to the financial position of the Group."

Further information pertinent to Special Resolution Number 2

The directors of the Company, after considering the effect of the maximum repurchase, confirm that no repurchase will be implemented in terms of this authority unless:

- the Company and the Group will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months after the date of the Notice;
- the consolidated assets of the Company and the Group, fairly valued in accordance with the accounting policies used in the latest audited annual Group financial statements, will exceed its consolidated liabilities for a period of 12 months after the date of the Notice;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the Notice;
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the Notice; and
- the directors of the Company have passed a resolution that they have authorised the repurchase, that the Company and its subsidiaries have passed the solvency and liquidity test and since the test was performed, there have been no material changes to the financial position of the Group.

In terms of paragraph 11.26(c) of the Listings Requirements, the directors of the Company hereby state that the intention of the Company and its subsidiaries is to utilise the general authority to repurchase Company shares, if at some future date the cash resources of the Company are in excess of its requirements.

The Listings Requirements require the following disclosures with respect to general repurchases, some of which appear elsewhere in the 2024 Integrated Annual Report:

- Major shareholders – page 81 of the 2024 Integrated Annual Report
- Share capital of the Company – page 81 of the 2024 Integrated Annual Report and note 14 of the 2024 Group audited annual financial statements

Notice of annual general meeting continued

9. Special Resolution Number 2: General authority to repurchase Company shares continued

Directors' responsibility statement

The directors, whose names are given on page 28 of this Notice, collectively and individually accept full responsibility for the accuracy of the information pertaining to Special Resolution Number 2 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the aforementioned resolution contains all information required by law and the Listings Requirements.

No material changes to report

Other than the facts and developments reported on in the 2024 Integrated Annual Report and page 16 of this Notice, there are no material changes in the financial or trading position of the Company and its subsidiary that have occurred subsequent to the 31 December 2024 year end until the date of this Notice.

Reason and effect

The reason for and effect of Special Resolution Number 2 is to authorise the Company and/or its subsidiaries by way of a general authority to acquire the Company's issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company subject to the limitations set out above and in compliance with section 48 of the Companies Act.

10. General

To transact such other business that may be transacted at an annual general meeting.

11. Actions required by Merafe Resources' shareholders

11.1 The actions, which shareholders of the Company are required to take in order to follow their rights, to pass and adopt, with or without modification, the ordinary and special resolutions set out in this Notice are as set out below. If you are in any doubt as to the action you should take in relation to this Notice, please contact your stockbroker, Central Securities Depository Participant (CSDP), legal advisor, accountant, banker or other professional advisor immediately.

11.2 Record dates

11.2.1 The record date for shareholders to be recorded on the securities register of the Company in order to receive notice of the annual general meeting is Friday, 28 March 2025.

11.2.2 The record date for shareholders to be recorded on the securities register of the Company in order to be able to attend, participate in and vote at the annual general meeting is Friday, 2 May 2025 (Record Date).

11.2.3 The last date to trade in the Company's shares in order to be recorded on the securities register of the Company in order to be able to attend, participate in and vote at the annual general meeting is Friday, 25 April 2025.

11.3 Voting and attendance at the annual general meeting

11.3.1 If you are a shareholder on the Record Date, you are entitled to attend, participate in and vote at the annual general meeting or may appoint one or more proxies to attend, participate in and vote thereat instead. A proxy need not be a shareholder of the Company. A form of proxy, in which the relevant instructions for its completion are set out, is enclosed for the use of a certified shareholder or "own-name" registered dematerialised shareholder who wishes to be represented at the annual general meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting at the annual general meeting (in preference of that proxy).

Notice of annual general meeting continued

11. Actions required by Merafe Resources' shareholders continued

11.3 Voting and attendance at the annual general meeting continued

11.3.2 Forms of proxy must be lodged with the Company's transfer secretaries or at the Company's registered offices not less than 48 hours before the commencement of the annual general meeting (for administrative purposes only) or submitted to the Chairperson of the annual general meeting electronically, as set out in the Notice, before the appointed proxy exercises any of the relevant shareholder rights at the annual general meeting.

11.3.3 Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own-name" registration, who wish to attend the annual general meeting in person should contact their CSDP or broker to provide them with the necessary Letter of Representation in terms of their custody agreement.

11.3.4 Dematerialised shareholders, other than "own-name" registered dematerialised shareholders, who are unable to attend the annual general meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.

11.3.5 In terms of Schedule 14.10 of the Listings Requirements, equity securities held by a share trust or scheme will not have their votes at general or annual general meetings taken into account for purposes of resolutions passed or to be passed in accordance with the Listings Requirements. Accordingly, votes cast by the Merafe Resources Limited Share Incentive Scheme (such scheme constituted by the document as approved by shareholders (on 13 April 2010, and subsequently amended on 22 May 2020) will not have its votes taken into account for purposes of the adoption of such resolutions.

11.4 Representation by proxy

In compliance with the provisions of section 58(8)(b)(i) of the Companies Act, a summary of the rights of a shareholder to be represented by proxy is set out below:

11.4.1 A shareholder entitled to attend and vote at the annual general meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the annual general meeting in the place of the shareholder. A proxy need not be a shareholder of the Company.

11.4.2 A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the annual general meeting.

11.4.3 A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.

11.4.4 The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.

11.4.5 The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.

Notice of annual general meeting continued

11. Actions required by Merafe Resources' shareholders continued

11.4 Representation by proxy continued

11.4.6 If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's existing MOI to be delivered by the Company to the shareholder, must be delivered by the Company to (a) the shareholder; or (b) the proxy or proxies, if the shareholder has:

(i) directed the Company to do so in writing; and

(ii) paid any reasonable fee charged by the Company for doing so.

11.4.7 Attention is also drawn to the Notes to the form of proxy.

11.4.8 The completion of a form of proxy does not preclude any shareholder attending the annual general meeting.

Identification

In terms of section 63(1) of the Companies Act, any person attending or participating in the annual general meeting must present reasonably satisfactory identification and the person presiding at the annual general meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as proxy for a shareholder) has been reasonably verified. A barcoded identification document issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted as a form of identification at the annual general meeting.

Electronic participation

Shareholders who wish to participate in and/or vote electronically at the annual general meeting should contact The Meeting Specialists (TMS) on proxy@tmsmeetings.co.za or on +27 11 520 7952/0/1 as soon as possible and by no later than 11:00 on Friday, 9 May 2025. Shareholders may still register to participate in and/or vote electronically at the annual general meeting after this date, provided, however, that those shareholders are fully verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the annual general meeting. Dematerialised shareholders would still need to submit proxies via their CSDP or obtain a letter of representation to attend the meeting. TMS will assist shareholders with all the requirements for electronic participation and is obliged to validate the information of each shareholder's entitlement to participate in and/or vote at the annual general meeting before providing it with the necessary means to access the annual general meeting electronically and/or the electronic voting platform.

Shareholders will be liable for their network charges in relation to electronic participation in and/or voting at the annual general meeting and it will not be for the expense of the JSE Limited (JSE), Merafe Resources or TMS. Neither the JSE, Merafe Resources or TMS can be held accountable in the case of loss of network connectivity or network failure due to insufficient airtime/internet connectivity/power outages which would prevent a shareholder from participating in and/or voting at the annual general meeting electronically.

Notwithstanding the availability of the electronic voting platform, shareholders may still submit forms of proxy to TMS (in the case of certificated shareholders and dematerialised shareholders with "own-name" registration) or provide instructions to their appointed CSDP or broker (in the case of dematerialised shareholders without "own-name" registration) by no later than 11:00 on Friday, 9 May 2025 or the time and date stipulated by the CSDP or broker, respectively.

By order of the Board

W SOMERVILLE (on behalf of CorpStat Governance Services)
Company Secretary
7 March 2025

The Merafe Resources 2024 Integrated Annual Report and the Merafe Resources 2024 audited consolidated and separate annual financial statements are available on our website (www.meraferesources.co.za) and printed copies are available on request from the Company Secretary.

Appendix 1

Abridged *curricula vitae* of directors standing for re-election under Resolution 2, and appointment under Resolution 3 and 4.

Nonhlanhla Mabusela-Aikhuere (49)
(Independent)
BCompt, CTA and CA(SA)

Nonhlanhla joined the Merafe Board in July 2021. Nonhlanhla is an ex-investment banker with more than 10 years' experience in project and structured finance transactions. She completed her accounting articles at KPMG Inc, where she spent a year in the corporate finance department. She spent four years of her career at Nedbank Capital as a senior transactor in the power, oil and gas project finance department and has also held various Chief Executive Officer positions in the mining and mining services sectors. Nonhlanhla serves as an independent member of the IDC Executive Credit and Investment Committee, and as a member of the DBSA Infrastructure Fund Advisory Committee. She is also a board member of South African Forestry Company Limited, where she Chairs the Audit and Risk Committee and Growthpoint Student Accommodation Reit (where she also Chairs the Audit and Risk Committee).

Committee memberships: S A

Resolution: 2, 3 and 4

Jeff Mclaughlan (66)
(Independent)
MBA, NDIP Elect, Cert Eng

Jeff joined the Merafe Board in May 2019. He holds a Master's degree in Business Administration and Finance from the Open University, an Advanced Professional Management Programme from the University of South Africa (Unisa) and a National Diploma in Electrical and Instrumentation. He has more than 38 years' experience in the South African mining sector including various roles at Middelburg Steel and Alloys Proprietary Limited, Consolidated Metallurgical Industries Limited, Xstrata South Africa Proprietary Limited and Glencore Operations South Africa Proprietary Limited. Jeff served two terms as President of the International Chrome Development Association and stood down in June 2017. He is a member of the Institute of Electrical and Mechanical Engineers, South Africa.

Committee memberships: R N

Resolution: 2

Katlego Tlale (39)
(Independent)
CA(SA)

Katlego joined the Merafe Board in December 2020. He is currently the Group Chief Financial Officer of Letsema Group, a black-owned professional services and diversified investment company. Prior to joining Letsema, Katlego was employed by Gold One Group Limited where he managed group reporting and treasury. He completed his articles at KPMG Inc. where he was a member of the firm's mining audit practice.

Committee memberships: A

Resolution: 2 and 3

Matsotso Vuso (52)
(Independent)
CA(SA), CD(SA) RA

Matsotso joined the Merafe Board in 2018. She is the founder of Nyamezela Group of Companies, a multi-disciplinary group of companies with solutions spread across manufacturing of smart electricity meters, energy management, business advisory services, consulting and contracting engineering. She has extensive experience in statutory and IT assurance, financial investments analysis and financial restructurings. She also serves on other boards as an independent director.

Committee memberships: A

Resolution: 3

A Audit and Risk Committee
N Nomination Committee
R Remuneration Committee
S Social, Ethics and Transformation Committee
Committee Chairperson
Invitee

Directorate: The Board at 7 March 2025 comprised S Phiri (Chairperson)*, D McGluwa, M Vuso*, K Tlale*, N Mabusela-Aikhuere*, D Green, J Mclaughlan*, Z Matlala (Chief Executive Officer), D Chocho (Financial Director)
* Independent

Appendix 1 continued

Abridged *curricula vitae* of directors standing for re-election under Resolution 2, and appointment under Resolution 3 and 4 continued.

Ditabe Chocho (54)

Financial Director

CA(SA) MSc Financial Management, Executive MBA

Ditabe joined Merafe in August 2018 having previously been the Company's Chief Financial Officer in 2013 and 2014. Ditabe is a qualified South African Chartered Accountant and he has extensive experience in financial and investment management gained during his tenure at various companies including Uranium One Limited, the Industrial Development Corporation of SA Limited and Zico Capital Proprietary Limited. He also served as Chief Financial Officer of MultiChoice Africa Proprietary Limited (MultiChoice) and subsequently served as Chief Financial Officer and Chief Operating Officer of DSTV Online, a division of MultiChoice in 2012.

Committee memberships: S A R N

Resolution: 4

David McGluwa (50)

(Non-independent)

Executive Development Programme (GIBS), BCom, Corporate Credit Analysis (New York Institute of Finance)

David joined the Merafe Board in July 2021. David has held various senior roles at the Industrial Development Corporation (IDC) since 1999, prior to which he worked at First National Bank for four years. David was nominated to be director of the Board by the IDC, which has a 22% shareholding in Merafe.

Committee memberships: S

Resolution: 4

Steve Phiri (68)

Chairperson (Independent)

B Iuris, LLB, LLM

Ditshebo Stephen (Steve) joined the Merafe Board in February 2024 and was appointed as Chairperson in May 2024. Steve has more than 20 years' experience in the South African mining sector including, *inter alia*, roles at Royal Bafokeng Platinum Limited (where he served as CEO), Royal Bafokeng Holdings Proprietary Limited (where he served as a non-executive director) and at Merafe (where he was CEO from 2003 to 2010 and a non-executive director of the Board from 2010 to 2015). He is a member of the Council of International Platinum Association and was a board member of the International Platinum Association before becoming its President/Chairman. Steve was also previously the Vice President of the Chamber of Mines (later the Minerals Council of South Africa).

Committee memberships: N A S R

Resolution: 4

Zanele Matlala (61)

Chief Executive Officer

BCom, BCompt (Hons), CA(SA)

Zanele joined the Merafe Board in 2005 as an independent non-executive director. She was appointed Merafe's Chief Financial Officer on 1 October 2010 and Chief Executive Officer on 1 June 2012. She is a non-executive director of Dipula Income Fund, Stefanutti Stocks Holdings Limited, RAC Limited and Harmony Gold Mining Company Limited.

Committee memberships: S A R N

Resolution: 4

Appendix 2

Board and committee attendance 2024

Board and Board committees	Members/invitees	Member and attendance
		Board meetings 2024
Merafe Board	Steve Phiri (c) *	4/4
	Matsotso Vuso	4/4
	Katlego Tlale	4/4
	David McGluwa	3/4
	Nonhlanhla Mabusela-Aikhuere	3/4
	Daniel Green	4/4
	Jeff Mclaughlan	4/4
	Zanele Matlala (CEO)	4/4
	Ditabe Chocho (FD)	4/4
	Abiel Mngomezulu**	1/1
	* *Appointed Chairman 15 May 2024.* ** *Retired 15 May 2024.*	
		Committee meetings 2024
Audit and Risk Committee	Matsotso Vuso (c)	4/4
	Katlego Tlale	4/4
	Nonhlanhla Mabusela-Aikhuere	4/4
	Steve Phiri*	3/4
	Zanele Matlala (CEO)*	4/4
	Ditabe Chocho (FD)*	4/4
	Abiel Mngomezulu**	1/1
	* *Invitees.* ** *Retired 15 May 2024.*	

For a complete breakdown of the Merafe Board and Board Committee roles and responsibilities, members and attendance, see pages 55 to 57 of the Merafe 2024 Integrated Annual Report.

The Merafe Resources 2024 Integrated Annual Report and the Merafe Resources 2024 audited consolidated and separate annual financial statements are available on our website (www.meraferesources.co.za) and printed copies are available on request from the Company Secretary.

Appendix 2 continued

Board and Board committees	Members/invitees	Member and attendance
		Committee meetings 2024
Remuneration and Nomination Committee	Steve Phiri[1]	1/3
	Jeff Mclaughlan[2]	3/3
	Daniel Green	3/3
	Abiel Mngomezulu[1]**	1/1
	Zanele Matlala (CEO)*	3/3
	Ditabe Chocho (FD)*	3/3
	Invitees.	
	** *Retired 15 May 2024.*	
	[1] *Nomination Committee Chairperson.*	
	[2] *Remuneration Committee Chairperson.*	
		Committee meetings 2024
Social, Ethics and Transformation Committee	Nonhlanhla Mabusela-Aikhuere (c)	3/3
	Abiel Mngomezulu*	1/1
	David McGluwa	3/3
	Steve Phiri	1/3
	Zanele Matlala (CEO)	3/3
	Ditabe Chocho (FD)	3/3
	* *Retired 15 May 2024.*	

For a complete breakdown of the Merafe Board and Board Committee roles and responsibilities, members and attendance, see pages 55 to 57 of the Merafe 2024 Integrated Annual Report.

Appendix 3

Remuneration report

The Remuneration Report is in accordance with King IV. A glossary of terms used in this report is contained in our online Integrated Annual Report of 2024 which is on our website. If unable to access the online report please note the following key references used: "Policy" or "policy" means the remuneration policy of the Company; the "Company" or "Merafe" means Merafe Resources Limited and its wholly owned subsidiary; the "Committee" means the Remuneration and Nomination Committee of the Company; the "Board" means the board of directors of the Company; "executive directors" and "non-executive directors" means executive and/or non-executive directors of the Company; the "CEO" means the Chief Executive Officer of the Company; and "FD" means the Financial Director of the Company.

Statement of voting at the annual general meeting

The annual general meeting of the Company for the financial year ended 31 December 2023 was held on 15 May 2024 and the requisite ordinary resolutions of a non-binding advisory nature endorsing the policy and the remuneration implementation report were passed by the requisite majority of shareholders, as a result no engagement with dissenting shareholders was required. The policy resolution (Ordinary Resolution 7.1) was passed by a 97.55% majority, with 72.13% of the Company's shares being voted. The remuneration implementation report resolution (Ordinary Resolution 7.2) was passed by a 97.55% majority, with 72.13% of the Company's shares being voted. The special resolutions to approve non-executive remuneration for 2024 were passed by the required majority (99.99%) which included remuneration for the Board committees.

The Company continues to engage on the Remuneration Report and the policy with its stakeholders.

Background statement

Remuneration philosophy, strategy and policy

Remuneration philosophy

The Company's guiding philosophy is to employ high-calibre, high-performing employees who subscribe to the values and culture of our Company. We recognise that our employees are integral to the achievement of our corporate objectives and they are accordingly remunerated for their contribution and the value they deliver.

Our Company is committed to fair, responsible and transparent remuneration across the business in respect of all employees on all levels. Both the fixed and variable elements of remuneration aim to support Company performance and value creation in the short, medium and long-term, as well as to support the achievement of strategic objectives within the Company's risk appetite.

This policy is applicable to all employees of the Company.

Our remuneration strategy and policy are reviewed at least annually by the Committee to ensure that they are appropriate and relevant in the support of sustainable business performance and in promoting an ethical culture and responsible corporate citizenship.

Remuneration strategy

Our remuneration strategy is designed to be aligned with our business strategy and the execution thereof to promote positive outcomes.

Since we strive to attract, retain, motivate and reward employees for executing our business strategy, their remuneration must clearly be market-related and independent third parties are used by the Committee for the purpose of benchmarking to the appropriate segment. The general principle of our remuneration strategy is to structure executive and employee remuneration to include:

- a guaranteed annual package and benefits;
- an annual variable performance incentive; and
- ownership of shares through the long-term incentive scheme, which is based on performance with the aim of creating a strong alignment to shareholder goals.

The remuneration strategy and policy are communicated to all employees during the year, together with our expectations around their contribution to the success of our organisation.

Appendix 3 continued

Remuneration report continued

Remuneration policy

The key principles of the policy are that:

- the policies are governed by the Committee which are reviewed at least annually to ensure that they are relevant and support Company strategy;
- guaranteed remuneration is targeted at the median to 25th percentile of the relevant market against which pay is benchmarked, in order to attract and retain high-calibre and high-performing employees;
- it is Company policy that all employees are members of medical and retirement funds and have Group life and disability cover;
- annual salary adjustments are governed by factors such as the consumer price index (CPI), retention strategies, the producer price index (PPI), industry performance, projected growth, contractual arrangements, affordability, and industry average increase surveys, which will be taken into consideration in setting the recommended increase. The Committee will approve or set the overall increase percentage that will be applied on a Company-wide basis. Salary adjustments are at the discretion of the Board;
- variable pay is an important component of remuneration at Merafe and both annual and long-term performance-based schemes which support our business strategy are in place;
- the short-term incentive scheme performance measures are assessed by the Committee and these measures are determined by taking into account corporate, individual, financial and non-financial criteria. The measures are applicable to the time period to which the scheme relates;
- the long-term incentive scheme measures are based on total shareholder return and growth in headline earnings per share;
- executive remuneration is aligned to shareholder value creation through the long-term incentive scheme;
- where necessary, both short-term and long-term incentive schemes are benchmarked against the appropriate comparator group by the Committee; and
- the over-riding principle governing payments for non-executive directors is that they will be made in the context of good governance and aligned to the relevant market.

Remuneration and Nomination Committee

Responsibility for the reward strategy rests with the Board who in turn appoint the Committee. The Committee comprises at least three members, the majority of whom are independent non-executive directors and is governed by formal terms of reference.

The terms of reference clearly deal with, *inter alia*, matters such as:

- composition of the Committee;
- roles and responsibilities of the Committee;
- delegated authority;
- tenure and rotation of the Committee members;
- reporting requirements and compliance;
- access to information and resources;
- meeting procedures to be followed; and
- arrangements for the evaluation of the Committee's performance.

The primary role of the Committee is to ensure that the Company's directors and senior executives are fairly rewarded for their individual contributions to the Company's overall performance. The Committee also aims to ensure that remuneration is appropriate to attract, retain and motivate the right calibre of directors and senior executives who will strive to achieve the overall goals of the Company. The Committee must demonstrate to all stakeholders that the remuneration of senior executives is set by a committee of Board members who:

- have no personal interest in the outcome of their decisions;
- give due regard to the interest of the shareholders and the financial and commercial health of the Company;
- take cognisance of market-related remuneration, incentive bonuses and share incentive schemes as well as market trends; and
- play an active role in succession planning activities, notably for the CEO and executive management.

The Committee is responsible for making recommendations to the Board on the remuneration policy for directors and, to the extent that it deems necessary, makes comparisons between remuneration packages currently available to the Company's own executive directors and those available to directors of other companies of a similar size in the comparable industry. Comparisons are also made with other companies in South Africa and, if relevant, internationally.

Appendix 3 continued

Remuneration report continued

The Committee also takes into account a number of principles, being, *inter alia*:

- industry standards and comparisons with businesses in the same industry;
- expertise and qualifications of individuals;
- the risks associated with companies in the mining sector;
- the importance of the individual to the Company and his/her contribution;
- retention measures and motivation for the executive not to leave the Company;
- restraint of trade provisions; and
- nature of the position (role expectations, workload, etc.).

Remuneration policy

Statement of fair, responsible and transparent remuneration

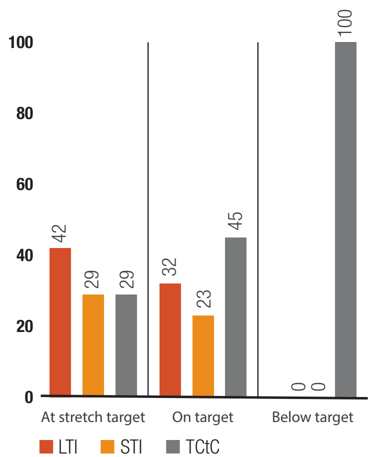
The Board approves a policy that articulates and gives effect to its direction on fair, responsible and transparent remuneration.

The policy for the remuneration of executive directors and other senior management is set by taking appropriate account of remuneration and employment conditions of the industry, the Venture and the Company's specific circumstances.

Key principles

The policy is governed by the Committee which regularly reviews the policy to ensure that it is relevant and supports the Company strategy. To this end, see key principles under remuneration policy on page 33 of this report.

Target reward mix for Chief Executive Officer (%)



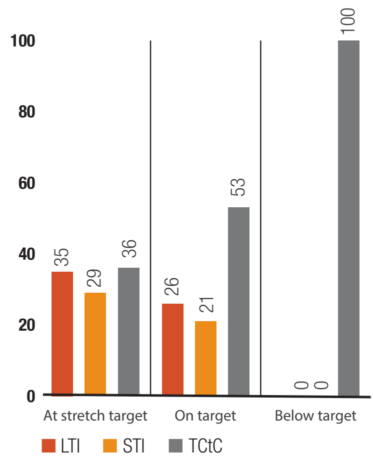
Executive pay mix

Executive pay mix is defined as the balance targeted between the major components of executive remuneration, namely:

- Guaranteed pay – based on Total Guaranteed Cost of Employment (TCtC);
- Variable pay for performance which consists of the following:
  - Short-term incentives (STI) in the form of annual cash incentives; and
  - The expected value from long-term incentives (LTI).

Note: Expected value is defined as the present value of the future reward outcome of an offer, given the targeted future performance of the Company and of its share price. It should not be confused with the term "fair value" which is used when establishing the accounting cost for reflection in a Company's financial statements. Neither should it be confused with the term "face value" which is used to define the current value of the underlying share at the time of an offer.

Target reward mix for Financial Director (%)



The Company's targeted pay mix aims to align the incentives of the employees with the interests of shareholders. It is recognised that, through acquisitions and business combinations over time, there will always be some deviation from the targeted pay mix structure across the Company. However, the balance between TCtC, STI and LTI for executive directors is shown for illustrative purposes in the schematic above, at various performance levels.

Guaranteed pay

Appendix 3 continued

Remuneration report continued

Merafe aims to establish and maintain an integrated pay line with pay levels that ensure that it is able to remain competitive, while managing costs.

Executive remuneration in respect of guaranteed pay is expressed in terms of TCtC.

An employee's TCtC consists of the following elements:
- basic salary;
- car and other cash allowances and/or perquisites;
- employer contributions to the medical aid;
- employer contributions to the retirement fund; and
- employer contributions to risk benefits.

Salaries are reviewed annually and are targeted at the median to 25th percentile of the relevant market, The Company conducts benchmarking exercises at least every second year against the top management reward surveys conducted by the large consultancies. The benchmark used is the median to 25th percentile of the total guaranteed cost of employment for similar positions in similarly-sized listed companies.

The Committee has regard principally to companies in the South African market, which are of similar size, complexity and scope to the Company. The Committee also takes into account business performance, salary practices prevailing for other employees in the Company and, when setting individual salaries, the individual's performance and experience in the role.

Although salaries are reviewed annually, the Board reserves the right not to grant increases should circumstances so dictate. In addition, benefits offered are also reviewed on an annual basis to ensure that employees' needs are addressed fairly, and that schemes are cost effective, well governed and competitive.

Short-term incentives

Merafe's annual incentives are aimed at rewarding a combination of both business and individual performance in order to support a Company-wide performance culture. The incentive pool is determined as a percentage of net profit after tax and the scheme is therefore self-funding. Financial and non-financial criteria as well as individual performance determine the distribution of the pool to individuals.

Incentive awards are at the discretion of the Board after due consideration of Company and individual performance.

The Committee follows a less mechanistic approach in determining the bonus awards in order to reward outstanding performance more appropriately and to ensure that undue windfalls are mediated.

As indicated above, the incentive scheme performance measures are assessed by the Committee and these measures are determined by taking into account the Company's financial and non-financial criteria as well as individual performance.

All STI awards are based on performance against, *inter alia*, the following measures:
- Company measures: These include but are not limited to profitability, growth of business, cost management, sustainability and safety.
- Individual measures: For the CEO and FD, these are over and above the Company measures and include but are not limited to stakeholder engagement, talent management, leadership and reporting.

Targets are set by the Board on an annual basis as determined by Company strategy, business plan and operating conditions. Targets are set to ensure that performance is measured appropriately in accordance with a five-point rating scale. In addition, the Board will apply appropriate weights to measures in order to focus behaviour and performance, related to the strategic focus for the performance period.

Although measures and targets are determined at the start of the performance period, the Board may revise these measures and targets should prevailing business conditions indicate this to be necessary or in response to any other changes in the operating environment. All such changes, which represent the discretionary aspect of the policy, will be disclosed on an annual basis.

As indicated above, individual performance is primarily assessed from a predetermined criteria of key performance areas or value drivers.

The selection of these is informed by the Company's business plan.

Appendix 3 continued

Remuneration report continued

These metrics are assessed against a five-point scale as follows:

Rating	Description	Definition
1	Poor	Indicates poor performance. All or most threshold targets not met.
2	Needs improvement	Performance against target is fair – however, performance against key measures is below threshold or target.
3	Satisfactory	Performance on target in respect of most or all measures.
4	Good	Performance exceeds target on most or all measures. Has reached stretched target on a number of key measures.
5	Outstanding/ excellent	Significant outperformance. All stretched targets met or exceeded.

The total STI pool is capped at 3% of net profit after tax. No incentives are payable where the net profit after tax in any financial year is less than R139 million. These parameters are reviewed by the Board on an annual basis for relevance and appropriateness.

In addition, the percentage for STI is capped for the various categories of employees as set out below:

Position	Maximum % of TCtC
Chief Executive Officer	100
Financial Director	80
Senior management	60
Management	50
Administrative staff	30

The total pool for incentives that become available for distribution will not be exceeded at any time.

STI potential is benchmarked between the median and 75th percentile of the relevant market, which is deemed appropriate when considered along with the guaranteed pay benchmarked at between the median and 25th percentile of the market.

The final incentive calculation is undertaken by aggregating the incentive claims of all participants and comparing this to the pool derived from Company performance.

Long-term incentives

Background

The purpose of the share incentive scheme is to serve as an incentive and reward to employees of the Company and its subsidiary for services rendered and to be rendered, aimed at promoting the continued growth of the Company by giving employees an opportunity to acquire shares in the Company and serve as a retention mechanism for employees whose services are regarded by the Company to be crucial to the future growth and sustainability of the Company's business.

The share incentive scheme further seeks to align employee interests with those of shareholders and to support a culture of ownership, with a focus on Company performance and sustainable growth.

Long-term incentives, in the form of a share incentive scheme, have been in existence in the Company since 1999. The current share scheme was approved by the Company shareholders on 22 May 2020, under which both share options and share grants may be issued.

Eligibility and participation

All employees of the Company are eligible for share allocations in respect of the share incentive scheme rules, subject to Board approval and the prevailing implementation policy.

Shares to be allocated

Under the rules of the share incentive plan, the following shares may be offered:

- Share options which will be granted at the offer price.
- Share grants being full value shares.

Vesting rules and settlement

Generally, share options vest one-third per year on the third, fourth and fifth anniversaries and are settled by physical delivery of shares against receipt of payment of the option price. The options lapse after seven years if not exercised, while employed within the Group.

Appendix 3 continued

Remuneration report continued

Share grants are granted by the Board on the recommendation of the Committee. They vest one-third per year on the third, fourth and fifth anniversaries and are settled by physical delivery of shares.

Alternatively, the Company has the right to settle in cash the value of shares granted.

Equity settlement will take the form of purchasing of shares on the open market for the benefit of the employee whose shares have vested. The Company reserves the right to issue new shares for purposes of settlement.

Participation and termination rules

In the event of an employee leaving the Group for a reason approved by the directors, such as retirement or disability (no-fault terminations), all performance shares granted will vest, subject to the application of performance conditions. No pro-rating of shares will apply. All approved terminations will be disclosed on an annual basis.

In the event of the death of an employee, all performance shares allocated will vest with no performance conditions or pro-rating applied.

In the event of either a no-fault termination or an employee's death, the employee or his/her estate has 12 and 24 months respectively to exercise share options granted to that employee. In the event of retirement at the earliest date allowed by the retirement fund, the employee will have one year to exercise their share options allocated.

In the event of voluntary termination (i.e. resignation) or a fault termination (i.e. those who leave as a result of resignation, dismissal or poor performance), any right to any shares and all allocations will lapse immediately upon termination. No further claims may be laid to such lapsed shares, whether full value or shares options.

In the event of a change in contract of employment, e.g. lateral moves or promotions, the participant will remain entitled to previous share allocations, subject to vesting periods, vesting schedules and prevailing performance conditions and criteria as set out during the initial share allocation.

In the event of a reconstruction or takeover, share allocations will vest on a *pro rata* basis subject to the Committee evaluating the applicable performance conditions and determining the number of shares per participant.

Performance vs retention shares

In 2018, the Committee revised the allocation policy for more share grants to be subject to performance conditions as opposed to retention shares as illustrated below:

Revised LTI allocation policy

	Targeted offer value % of TCtC	Balance performance/ retention
Chief Executive Officer	60	100/0
Financial Director	45	100/0
Senior management	40	100/0
Management	35	100/0
Administration	25	100/0

Appendix 3 continued

Remuneration report continued

Since 2018, all share allocations are performance-based. In order to balance back to the reward mix and expected outcomes, the targeted value of the share allocation as a percentage of TCtC was increased as per the table above.

Performance conditions

The performance conditions for all existing performance-oriented share grants will remain in place, but future grants will be governed by two metrics:

1. comparison of Merafe's Total Shareholder Return (TSR) over a three-year period with that of a selection of JSE-listed, small cap mining and resources companies; and
2. growth in headline earnings per share (CPI + a specified percentage as determined by the Board) over a three-year period. The two measures will weigh 50/50 or as determined by the Board from time to time. Measures will be applied per performance share allocation and will remain in force for the duration of the performance period. Performance measures and targets are approved for and applicable to a specific performance period. No retesting of performance conditions is allowed.

The Committee will assess performance against the target once the applicable performance period is completed and approve the vesting of performance shares to the extent that targets are met.

Performance measure I: Total Shareholder Return

The comparator group for TSR is made up as follows:

TSR comparator group

Company	Ticker
Thungela Resources Limited	TGA
Harmony Gold Mining Limited	HAR
Pan African Resources plc	PAN
Merafe Resources Limited	MRF
Tharisa plc	THA
MC Mining Limited	MCZ
DRDGOLD Limited	DRD
Wesizwe Platinum Limited	WEZ
Hulamin Limited	HLM
ArcelorMittal Limited	ACL
Northam Platinum Holdings Limited	NPH
Salungano Group	SLG

Assuming that a group of 12 (11 + Merafe) companies are adopted as the comparator group of companies, vesting of the performance-based share grants will be in accordance with the following policy:

- 50% of performance shares allocated will be subject to performance against the TSR measure;
- if Merafe's TSR over the three-year period places it in one of the top four positions, then the full number of performance shares granted subject to this measure will vest in equal proportions on the third, fourth and fifth anniversaries of their grant;
- if Merafe's performance over the three-year period places it in fifth position, then two-thirds of the number of performance shares granted will vest in equal proportions on the third, fourth and fifth anniversaries of their grant;
- if Merafe's TSR over the three-year period places it in sixth position, then one-third of the number of performance granted shares will vest in equal proportions on the third, fourth and fifth anniversaries of their grant; and
- if Merafe's TSR over the three-year places it below sixth position, then none of the performance shares will vest.

The table below provides details of the revised vesting schedule for performance shares subject to the TSR measure:

Revised vesting schedule TSR

Vesting schedule over three years – TSR

Merafe TSR position/ ranking relative to peers	Vesting quantity % of allocation*
Position 1 – 4	100
Position 5	66.6
Position 6	33.3
Position 7 and lower	0

* *Vesting over three years in equal portion.*

Appendix 3 continued

Remuneration report continued

Performance measure II: Growth in headline earnings per share (HEPS)

Assuming that the performance targets below are set by the Board as illustrated in the table below, vesting of the performance-based share grants will be in accordance with the following policy:

- 50% of performance shares allocated will be subject to performance against the growth in HEPS measure;
- if performance meets or exceeds target, i.e. CPI + 2% per annum over the performance period, 100% of shares will vest;
- if performance is at threshold, i.e. CPI + 1% per annum over the performance period, 50% of shares subject to this measure will vest;
- for performance below threshold, 0% of shares subject to this measure, will vest; and
- linear vesting will take place between different performance milestones.

Vesting schedule for Growth in HEPS measure

Vesting schedule over three years – growth in HEPS

HEPS target	Vesting quantity % of allocation* proposed
On target CPI + 2%	100
Threshold CPI + 1%	50
Below threshold	0

* *Vesting over three years in equal portion.*

LTI offer policy

The following principles will govern the LTI offer policy:

- share options will only be given at the discretion of the Board as and when circumstances dictate and only to executive management that have direct line of sight in terms of Company performance;
- full value shares, with performance conditions, will be granted to all employees on an annual basis subject to ongoing satisfactory individual performance, the expected value of which will be in accordance with the Company's reward strategy–pay mix;
- full value shares may be offered to new appointees as an attraction measure, the value of which will be determined and approved by the Committee, and will be subject to a minimum of three-year vesting period;
- share grants will be in favour of performance-based shares, with all shares granted subject to performance measures over a three-year period;
- share grants will be offered to employees with only performance-based shares and no retention shares;
- the value of the share grant will be calculated as a percentage of the current TCtC guaranteed package;
- no offer shall be made which together with any other scheme shares would exceed 5% of total issued share capital of the Company;
- the maximum aggregate number of shares granted or options allocated to a single participant, shall be limited to 1% of the total issued share capital of the Company;
- prior to vesting, no participant will qualify to receive any dividends declared;
- the Company will communicate to participants, at least on an annual basis, in terms of shares granted, vesting and/or any changes in rules or conditions of participation; and
- all share grants and options will be disclosed over its lifetime in the annual Remuneration Report.

Contracts of employment

Senior and executive management are subject to the Company's standard terms and conditions of employment where notice periods are between three and six months. In line with the recommendations set out in the King IV Report, Company policy prevents any senior or executive manager from being compensated for loss of office.

In the event of a change of control of the Company (as defined in the Companies Act) where the Company no longer requires an executive to fulfil their specific role post the change of control, the Company shall pay to the executive 12 months' remuneration on the last day of the notice period and after completion of handover of duties, for existing executives as at 2019. From 2020 onward, all newly appointed executives will have their termination payments aligned to their contractual notice period.

Appendix 3 continued

Remuneration report continued

Retention measures

The Committee reserves the right to apply retention measures should circumstances indicate. Retention measures may include cash or equity awards and will be appropriately disclosed on an annual basis.

Malus and clawback

Any remuneration previously paid to executive directors that is subsequently found to have been the result of criminal or otherwise illegal activities, must be repaid to the Company.

In the event of restatement of the Company's results (other than a restatement caused by a change in accounting policy, standards or interpretation), which results in lower performance-based remuneration calculated on the restated results, the Committee shall review such performance-based remuneration, determine the amount to be recovered from the executive and take steps to recover the amount.

The Board reserves the right to cancel any share allocation for all or individual participants if during the vesting period there is evidence of serious underperformance or misrepresentation of information e.g. gross negligence, overstatement of performance, unnecessary risk taking, poor governance and non-compliance.

Non-executive directors' fees

The remuneration of non-executive directors is provided in the context of good governance, and is primarily based upon a methodology which takes into account expertise, contribution by the director and meeting attendance.

Standard duties of non-executive directors include preparation for and attendance at Board meetings, annual general meetings and results presentations. If required, the directors may be requested to perform work outside of their standard duties and for this they will be remunerated based upon the time spent and their level of expertise. Non-executive directors' pay is aimed at aligning with remuneration principles applicable to executive pay.

Independent benchmark are conducted at least every second year to inform the levels of remuneration for non-executive directors and the intent is to target remuneration between the lower quartile (25th percentile) to the median quartile (50th percentile) of listed companies of a similar size (comparator or peer group), in order to ensure that appropriately qualified and experienced directors are appointed.

Non-executive directors' fees are tabled for approval by the shareholders of the Company on an annual basis. The fees paid to non-executive directors for different roles such as the Chairperson may vary from the fees paid to other non-executive directors. Fees are split between a retainer (60%) and per meeting fee (40%), which is aligned to industry practice.

Non-executive directors will not participate in any share-based incentive scheme or any other incentive scheme that the Company may implement, to avoid any potential conflict of interest.

Review

This policy was approved by the Company in March 2024 and will be reviewed annually against current legislation and practice for approval by shareholders during the annual general meeting.

In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised at the annual general meeting, Merafe undertakes to engage with dissenting shareholders to understand their concerns.

Appendix 3 continued

Remuneration report continued

Implementation report for 2024

The implementation of the policy approved by shareholders at the annual meeting in May 2024 is set out below:

Executive pay

	2024 R'000	2023 R'000
Z Matlala		
Salary	**6 083**	5 730
Bonus	**6 101**	5 899
Fringe benefits	**272**	289
Provident contributions	**932**	851
Share grants vested	**9 345**	6 169
Total	**22 733**	18 938

	2024 R'000	2023 R'000
D Chocho		
Salary	**4 227**	3 537
Bonus	**3 301**	3 192
Fringe benefits	**612**	289
Provident contributions	**401**	399
Share grants vested	**4 033**	2 642
Total	**12 574**	10 059

Short-term incentives

The executive directors were assessed by the Committee according to the table set out below which was then used as a basis for awarding bonuses for 2024.

Key factors	Key measurement items
Profitability	EBITDA compared to budget and previous years
Growth of business	Growth assets and revenue
Cost management	Effective cost management at Venture's and Merafe level
Sustainability	B-BBEE rating to amended scorecard, corporate social investment, environmental incidents
Safety	Total recordable injury frequency rate, fatalities
Stakeholder engagement	Stakeholder engagement programme including interactions with SARS, partners, shareholders, employees, etc.
Talent management	Succession planning, managing employees, training, mentoring
Reporting	Interim and annual reporting

As per the policy, the Committee applied a less mechanistic and more holistic approach, which has resulted in the following bonus allocation:

	2024 % allocation of cost to Company	2023 % allocation of cost to Company
Chief Executive Director	**81**	81
Financial Director	**65**	65

Directors' interests in Merafe Resources Limited

As at 31 December 2024, the directors of the Company are beneficially interested (directly and indirectly) in 3 553 565 (31 December 2023: 3 553 565) shares in the Company. During the financial year no material contracts were entered into in which directors and prescribed officers of the Company had an interest and which significantly affected the Group.

Executive directors of the Company and their immediate families control 0.14% (31 December 2023: 0.14%) of the voting shares of the Company. In addition to their salaries, the Company contributes to a provident fund (defined contribution plan) and medical aid fund on their behalf. Executive directors also participate in the Company's share incentive scheme.

Appendix 3 continued

Remuneration report continued

	2024 number of shares		2023 number of shares	
	Direct	**Indirect**	Direct	Indirect
Z Matlala	**2 945 000**	**–**	2 945 000	–
D Chocho	**608 565**	**–**	608 565	–
Total	**3 553 565**	**–**	3 553 565	–

No additional directors' interests have been noted post 31 December 2024 until the date of approval of this report, being 7 March 2025.

Long-term incentives – 2024

The award of long-term incentives under the Company's share option and grant schemes are set out below:

Cash-settled share-based payment arrangements

The following share grants relating to executive directors were outstanding at 31 December 2024:

Vesting date	Z Matlala Number of shares	D Chocho Number of shares
1 April 2025	**3 904 904**	**1 685 363**
1 April 2025	**1 618 480**	**698 539**
1 April 2025	**709 641**	**324 299**
1 April 2026	**1 618 480**	**698 539**
1 April 2026	**709 641**	**324 299**
1 April 2026	**1 006 647**	**460 027**
1 April 2027	**709 641**	**324 299**
1 April 2027	**1 006 647**	**460 027**
1 April 2027	**910 671**	**461 946**
1 April 2028	**1 006 647**	**460 027**
1 April 2028	**910 671**	**461 946**
1 April 2029	**910 671**	**461 946**
	15 022 741	**6 821 257**

Performance conditions

The performance conditions are set out on pages 38 and 39 of this notice.

Share grant allocations were implemented based on the VWAP of the previous day's trading as follows:

	2024			2023		
	% allocation of cost to Company	**Number of shares**	**Vesting period**	% allocation of cost to Company	Number of shares	Vesting period
Chief Executive Officer	**60**	**4 316 582**	1 April 2027 1 April 2028 1 April 2029	60	3 019 940	1 April 2026 1 April 2027 1 April 2028
Financial Director	**45**	**2 189 624**	1 April 2027 1 April 2028 1 April 2029	45	1 380 082	1 April 2026 1 April 2027 1 April 2028

Note: As per the policy, from 2019, 100% of the grants are subject to performance conditions for the CEO and

Appendix 3 continued

Remuneration report continued

FD, respectively.

Approved non-executive directors' fees for 2024

The non-executive directors' fees for 2024 which were approved at the annual general meeting and were passed by the requisite 75% majority are set out below:

	2024					
	Total fees per annum R	Retainer 60% R	Monthly retainer fees R	Retainer per quarter R	Fees per attendance 40% R	Fees per attendance per meeting R
Board Chairperson	860 568	516 341	43 028	129 085	344 227	86 057
Board Member	333 718	200 231	16 686	50 058	133 487	33 372
Audit and Risk Committee Chairperson	244 453	146 672	12 223	36 668	97 781	24 445
Audit and Risk Committee Member	153 290	91 974	7 665	22 994	61 316	15 329
Remuneration and Nomination Committee Chairperson	164 504	98 702	8 225	24 676	65 802	21 934
Remuneration and Nomination Committee Member	100 413	60 248	5 021	15 062	40 165	13 388
Social, Ethics and Transformation Committee Chairperson	152 319	91 391	7 616	22 848	60 928	20 309
Social, Ethics and Transformation Committee Member	100 413	60 248	5 021	15 062	40 165	13 388

Non-executive directors' fees paid for 2024

	Retainer 2024 R	Attendance 2024 R	Total 2024 R	Total 2023 R
Mr A Mngomezulu (Chairperson)	265 349	116 584	381 932	872 412
Ms M Vuso	346 903	231 269	578 171	517 103
Mr J Mclaughlan	298 933	199 289	498 222	460 260
Mr K Tlale	292 205	194 804	487 009	484 744
Ms N Mabusela-Aikhuere	383 597	222 359	605 956	571 165
Mr S Phiri*	478 397	318 319	796 716	–
Mr D McGluwa**	260 479	140 281	400 760	393 795
Mr D Green***	260 479	173 653	434 132	410 960

* *Appointed 1 February 2024.*
** *Paid to IDC.*
*** *Paid to GOSA.*

See the online 2024 Integrated Annual Report and the Annual Financial Statements for additional and supporting information.

Appendix 3 continued

Remuneration report continued

Non-executive directors' fees proposed for 2025

The 2025 proposed fees exclusive of VAT, in accordance with the policy are set out below and result in an overall increase of 5% from the previous year. This increase and the allocation take into account the previous benchmarking exercise and inflation.

	2025					
	Total fees per annum R	Retainer 60% R	Monthly retainer fees R	Retainer per quarter R	Fees per attendance 40% R	Fees per attendance per meeting R
Board Chairperson	903 596	542 158	45 180	135 539	361 438	90 360
Board Member	350 404	210 242	17 520	52 561	140 162	35 040
Audit and Risk Committee Chairperson	256 676	154 005	12 834	38 501	102 670	25 668
Audit and Risk Committee Member	160 955	96 573	8 048	24 143	64 382	16 095
Remuneration and Nomination Committee Chairperson	172 729	103 637	8 636	25 909	69 092	23 031
Remuneration and Nomination Committee Member	105 434	63 260	5 272	15 815	42 174	14 058
Social, Ethics and Transformation Committee Chairperson	159 935	95 961	7 997	23 990	63 974	21 325
Social, Ethics and Transformation Committee Member	105 434	63 260	5 272	15 815	42 174	14 058

Areas of focus for 2025

Key activities for the Committee in 2025 will be, *inter alia*, the approval of the remuneration and bonuses for executive directors and senior management.

The Committee will also assess fees to be paid to non-executive directors. Focus will be placed on the key principles of King IV and the Company's commitment to these principles and reviewing the remuneration policy. In addition, the Company will, if required, engage with shareholders to discuss issues of mutual concern.

Compliance statement

The Board and the Committee are committed to maintaining high standards of corporate governance and to support and apply the principles of good governance advocated by the Institute of Directors South Africa (IoDSA) and King IV.

The Board and the Committee are of the view that the objectives stated in the policy have been achieved for the period under review. The Board and the Committee are also satisfied that they have fulfilled their responsibilities in accordance with their terms of reference with regard to remuneration within the Company.

JEFF MCLAUGHLAN
Chairperson – Remuneration Committee

7 March 2025

Form of proxy

Merafe Resources Limited
(Incorporated in the Republic of South Africa)
(Registration number 1987/003452/06) ISIN: ZAE000060000
JSE and A2X share code: MRF (Merafe Resources or the Company)

Only for use by shareholders who have not dematerialised their shares or shareholders who have dematerialised their shares with "own-name" registration. All other dematerialised shareholders must contact their Central Securities Depository Participant (CSDP) or broker to make the relevant arrangements concerning voting and/or attendance at the annual general meeting.

A shareholder is entitled to appoint one or more proxies (none of whom need to be shareholders of Merafe Resources) to attend, speak and vote or abstain from voting in the place of that shareholder at the annual general meeting.

Form of proxy for the thirty-eighth annual general meeting

I/We (name in block letters) of (address)

(contact number) (email address)

Being the holder/s of ordinary shares in the Company hereby appoint (see note 1)

1. or failing him/her

2. or failing him/her

3. The Chairperson of the Company, or failing him, the Chairperson of the annual general meeting, as my/our proxy to vote on my/our behalf at the annual general meeting of the Company to be held by electronic communication at 11:00 on Tuesday, 13 May 2025, subject to any cancellation, postponement or adjournment.

We desire to vote as follows (see note 2):

		Number of votes		
Ordinary and Special Resolutions		**For**	**Against**	**Abstain**
1	Ordinary Resolution Number 1: Adoption of annual financial statements and reports from the directors and relevant committees			
2	Ordinary Resolution Numbers 2.1 to 2.3: Re-election of retiring directors:			
	2.1 Ms N Mabusela-Aikhuere			
	2.2 Mr J Mclaughlan			
	2.3 Mr K Tlale			
3	Ordinary Resolution Numbers 3.1 to 3.3: Appointment of members to the Audit and Risk Committee for the forthcoming financial year			
	3.1 Ms M Vuso			
	3.2 Mr K Tlale, subject to re-election under Ordinary Resolution 2.3 above			
	3.3 Ms N Mabusela-Aikhuere, subject to re-election under Ordinary Resolution 2.1 above			
4	Ordinary Resolution Numbers 4.1 to 4.5: Appointment of members to the Social, Ethics and Transformation Committee for the forthcoming financial year			
	4.1 Mr D Chocho			
	4.2 Mr D McGluwa			
	4.3 Ms N Mabusela-Aikhuere, subject to election under Ordinary Resolution 2.1 above			
	4.4 Mr S Phiri			
	4.5 Ms Z Matlala			
5	Ordinary Resolution Number 5: Re-appointment of external auditors of the Company, Deloitte & Touche and appointment of Ms Tumellano Morake as the designated audit partner			
6	Ordinary Resolution Number 6: Authority to sign all documents required to give effect to all resolutions in the notice of annual general meeting			
7	Ordinary Resolution Numbers 7.1 and 7.2: Remuneration Policy and Remuneration Implementation Report			
	7.1 Remuneration Policy			
	7.2 Remuneration Implementation Report			
8	Special Resolution Numbers 1.1 to 1.8: Approval of non-executive directors' fees			
	1.1 Board Chairperson			
	1.2 Board Member			
	1.3 Audit and Risk Committee Chairperson			
	1.4 Audit and Risk Committee Member			
	1.5 Remuneration and Nomination Committee Chairperson			
	1.6 Remuneration and Nomination Committee Member			
	1.7 Social, Ethics and Transformation Committee Chairperson			
	1.8 Social, Ethics and Transformation Committee Member			
9	Special Resolution Number 2: General authority to repurchase Company shares			

Signed at on 2025

Please see notes overleaf.

Please see notes overleaf.

Notes to the form of proxy

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the Chairperson of the annual general meeting", but any such deletion must be initialled by the shareholder. The person whose name stands first on the form of proxy and who is present at the annual general meeting of shareholders will be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting of shareholders as he/she deems fit with respect to all the shareholder's votes exercisable thereat. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by the proxy.
3. Forms of proxy must be lodged with, posted or faxed to, the transfer secretaries' registered office: JSE Investor Services Proprietary Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg 2000) or +27 11 713 0800, or the Company's registered offices: Building B, 2nd Floor, Ballyoaks Office Park, 35 Ballyclare Drive, Bryanston, 2191 (PO Box 652157, Benmore, 2010), or email info@meraferesources.co.za to be received by no later than 11:00 on Friday, 9 May 2025. If forms of proxy are not received by this date, they must be submitted to the Chairperson of the annual general meeting electronically, as set out in the notice of the annual general meeting, before the appointed proxy exercises any of the relevant shareholder's rights at the annual general meeting.
4. The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative or other legal capacity (such as power of attorney or other written authority) must be attached to this form of proxy unless previously recorded by Merafe Resources.
6. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
7. On a show of hands, every shareholder shall have only one vote, irrespective of the number of shares he/she holds or represents, provided that a proxy shall, irrespective of the number of shareholders he/she represents, have only one vote.
8. On a poll, every shareholder present in person or represented by proxy shall have one vote for every Merafe Resources share held by such shareholder.
9. A resolution put to the vote shall be decided on a poll.
10. In terms of section 58 of the Companies Act:
    - a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
    - a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
    - irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
    - any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
    - if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
    - a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise;
    - if the instrument appointing a proxy has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
      - the relevant shareholder; or
      - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so; and
    - if a company issues an invitation to its shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:
      - the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised;
      - the invitation or form of proxy instrument supplied by the company must:
        - bear a reasonably prominent summary of the rights established in section 58 of the Companies Act;
        - contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name and, if desired, an alternative name of a proxy chosen by the shareholder; and
        - provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting;
      - the company must not require that the proxy appointment be made irrevocable; and
      - the proxy appointment remains valid only until the end of the meeting, or any adjournment thereof, at which it was intended to be used.

Notes

Notes

Administration

Merafe Resources Limited

Company registration number: 1987/003452/06

Business address and registered office

Building B, 2nd Floor
Ballyoaks Office Park
35 Ballyclare Drive
Bryanston
2191
Telephone: +27 11 783 4780
Email: info@meraferesources.co.za
www.meraferesources.co.za

Company secretary

CorpStat Governance Services Proprietary Limited
Fernridge Office Park
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Randburg
2194
Telephone: +27 11 326 0975
Email: w.somerville@mweb.co.za

Auditors

Deloitte & Touche
5 Magwa Crescent
Waterfall City
Gauteng
2090

Attorneys

Bowman Gilfillan Inc.
11 Alice Lane
Sandhurst
Sandton
2196

PO Box 785812
Sandton
2146

Bankers

Absa Bank Limited
Absa Towers West
15 Troye Street
Johannesburg
2001

Standard Bank
30 Baker Street
Rosebank
Johannesburg
2196

Transfer secretaries

JSE Investor Services Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown
Sandton 2196

PO Box 4844
Johannesburg 2000
Telephone: +27 11 713 0800

Sponsor

One Capital Sponsor Services Proprietary Limited
17 Fricker Road
Illovo
2196

PO Box 784573
Sandton
2146

Directorate

S Phiri* (Chairperson), D McGluwa, D Green, N Mabusela-Aikhuere*, M Vuso*, K Tlale*, J Mclaughlan*, Z Matlala (Chief Executive Officer), D Chocho (Financial Director)

* *Independent*

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