

**MANTENGU MINING LIMITED**

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

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**MANTENGU ACQUIRES BLUE RIDGE PLATINUM PROPRIETARY LIMITED**

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**1. Introduction**

1.1 The board of directors of Mantengu ("**Board**") is pleased to advise shareholders that the Company ("**Purchaser**") has entered into a sale of shares and claims agreement ("**Agreement**") dated 9 October 2024 ("**Signature Date**") with:

- 1.1.1 Ridge Mining Proprietary Limited ("**Ridge Mining**") and Imbani Platinum SPV Proprietary Limited ("**Imbani**") (collectively referred to as the "**Sellers**") for the acquisition of the "**Sale Equity**" of Blue Ridge Platinum Proprietary Limited ("**Blue Ridge**") described in paragraph 1.2 below, for the "**Sale Equity Purchase Consideration**" described in paragraph 2.4.1 below;
- 1.1.2 the Industrial Development Corporation of South Africa Limited ("**IDC**"), the Development Bank of Southern Africa Limited ("**DBSA**"), Sibanye Platinum Bermuda Proprietary Limited ("**Sibanye Bermuda**") and Western Platinum Proprietary Limited ("**Western Platinum**") (collectively referred to as the "**Claim Holders**") for the acquisition of the "**Sale Claims**" described in paragraph 1.3 below, for the "**Sale Claim Purchase Consideration**" described in paragraph 2.4.2 below; and
- 1.1.3 Imbani Mining and Trading Proprietary Limited ("**IMT**"), Sibanye Gold Protection Services Proprietary Limited ("**SGPS**"), Sibanye Gold Shared Services Proprietary Limited ("**SGSS**"), Sibanye Gold Proprietary Limited ("**SG**") and Ridge Mining Services Proprietary Limited ("**RMS**") (collectively referred to as the "**Trade Payables Sellers**") for the acquisition of the "**Trade Payables**" described in paragraph 1.4 below, for the "**Trade Payables Purchase Consideration**" described in paragraph 2.4.3 below,

as a single indivisible acquisition, collectively referred to as the "**Transaction**".

- 1.1.4 Ridge Mining, Sibanye Bermuda, SGPS, SGSS and RMS are wholly owned subsidiaries of JSE listed, Sibanye Stillwater Limited ("**Sibanye-Stillwater**").
- 1.1.5 Western Platinum is majority (76.4%) owned by Sibanye-Stillwater.
- 1.1.6 Imbani and IMT are each 50%-owned by Imbani Holdings Proprietary Limited and 50%-owned by Entrepreneurs Business Group Proprietary Limited.

1.2 The Sale Equity comprises:

- 1.2.1 in respect of Ridge Mining, the "**Ridge Mining Sale Equity**", being:
  - 1.2.1.1 35 700 shares in Blue Ridge owned by Ridge Mining, constituting 50% of the entire issued share capital of Blue Ridge ("**Ridge Mining Sale Shares**"); and
  - 1.2.1.2 the claims on loan account against Blue Ridge by Ridge Mining, which at 31 December 2023 amounted to R504 355 000.00 ("**Ridge Mining Sale Claims**"); and
- 1.2.2 in respect of Imbani, the "**Imbani Sale Equity**", being:
  - 1.2.2.1 35 700 shares in Blue Ridge owned by Imbani, constituting 50% of the entire issued

- share capital of Blue Ridge ("**Imbani Sale Shares**")"; and
- 1.2.2.2 the claims on loan account against Blue Ridge by Imbani, which at 31 December 2023 amounted to R96 913 000.00 ("**Imbani Sale Claims**").
- 1.3 The "**Sale Claims**" collectively comprise claims against Blue Ridge in respect of and arising out of the funding advanced by:
- 1.3.1 DBSA to Blue Ridge in terms of the agreements entered into between DBSA and Blue Ridge ("**DBSA Debt Agreements**"), which claims, at 31 December 2023, amounted to R417 976 039.66 owed by Blue Ridge to DBSA ("**DBSA Claim**");
  - 1.3.2 IDC to Blue Ridge in terms of the agreements entered into between IDC and Blue Ridge ("**IDC Debt Agreements**"), which claims, at 31 December 2023, amounted to R272 444 886.00 owed by Blue Ridge to IDC ("**IDC Claim**");
  - 1.3.3 Sibanye Bermuda to Blue Ridge in terms of the agreements entered into between Sibanye Bermuda and Blue Ridge ("**Sibanye Bermuda Debt Agreements**"), which claims, at 31 December 2023, amounted to R438 405 439.68 owed by Blue Ridge to Sibanye Bermuda ("**Sibanye Bermuda Claim**"); and
  - 1.3.4 Western Platinum to Blue Ridge in terms of the agreements entered into between Western Platinum and Blue Ridge ("**Western Platinum Debt Agreements**"), which claims, at 31 December 2023, amounted to R32 574 000.00 owed by Blue Ridge to Western Platinum ("**Western Platinum Claim**").
- 1.4 The Trade Payables collectively comprise, all amounts owing by Blue Ridge, as trade payables, on the Effective Date to:
- 1.4.1 RMS which, at 31 December 2023, amounted to R20 786 000.00 ("**RMS Trade Payables**");
  - 1.4.2 IMT which, at 31 December 2023, amounted to R8 908 000.00 ("**IMT Trade Payables**");
  - 1.4.3 SG which, at 31 December 2023, amounted to R520 000.00 ("**SG Trade Payables**");
  - 1.4.4 SGSS which, at 31 December 2023, amounted to R107 122 000.00 ("**SGSS Trade Payables**"); and
  - 1.4.5 SGPS which, at 31 December 2023, amounted to R456 000.00 ("**SGPS Trade Payables**").
- 1.5 Neither the Sellers, nor the Claims Holders nor the Trade Payables Sellers are related parties to Mantengu.

## 2. The Transaction

### 2.1 Nature of the business of Blue Ridge

Blue Ridge is a shallow, mechanised Platinum Group Metals ("**PGM**") mine, with integrated concentrator, targeting the UG2 orebody. Blue Ridge was placed on care and maintenance in 2011 by Aquarius Platinum Limited ("**Aquarius**") on the back of depressed PGM prices and has remained on care and maintenance ever since.

In 2016, Sibanye-Stillwater acquired Aquarius, gaining 50% ownership of Blue Ridge, with the remaining 50% held by Imbani.

### 2.2 Rationale

The acquisition of Blue Ridge comes with a sizeable tailings dump of 1 million tonnes which contains significant quantities of chrome and PGMs. Mantengu's investment into Blue Ridge will be executed in a phased approach. Mantengu will initially invest in plant and equipment to process the tailings dump to produce chrome and PGM concentrate. Mantengu estimates that the tailings project could produce up to 375,000 tonnes of chrome concentrate and 35,000 ounces of PGMs. Mantengu is confident that the tailings project will be able to operate as an extremely low-cost producer of chrome and PGMs. Mantengu will invest in a bankable feasibility study into the underground UG2 mining operations. This is expected to take 18 months to complete. If the bankable feasibility study yields positive investment results, Mantengu will investigate all options to recapitalise and commence the

underground mining operations. The Company's investments into Blue Ridge complement the Mantengu group's existing chrome ore mining and processing operations.

The acquisition of Blue Ridge will result in the avoidance of mine closure, but most importantly will result in job creation and local economic activity. Mantengu's commitment to BBBEE, job creation, access to funding and entrepreneurial investment ethos make it a responsible and reputable counterparty to safeguard the interests of Blue Ridge going forward.

## 2.3 Conditions Precedent

The Agreement (save for the Effective Provisions as referred to therein, which shall be of immediate force and effect and binding on the parties thereto ("**Parties**"), is subject to the fulfilment or waiver, if applicable, of the following conditions precedent ("**Conditions**") on or before the specified dates, or such other dates as the Parties may agree in writing:

2.3.1 on or before 17:00 on 18 October 2024:

2.3.1.1 the respective boards of directors of each of the Parties, or Executive Credit and Investment Committees of the relevant Parties, as applicable, passing the required resolutions approving the entering into of the Agreement;

2.3.1.2 the Sellers each delivering a certified copy to Mantengu, insofar as required in law and/or in terms of its constitutive documents, of a special resolution by its shareholders adopted in terms of section 112, read with section 115, of the Companies Act, 2008 (Act 71 of 2008), as amended ("**Companies Act**") approving the disposal of the relevant Sale Equity and authorising its board of directors to implement the sale and purchase transaction in respect of the Sale Equity and the Sale Claims as contemplated in the Agreement;

2.3.2 by no later than 60 business days after fulfilment or waiver of the Conditions referred to in paragraph 2.3.1 above, Mantengu providing the Sellers in writing with documentary evidence, to the reasonable written satisfaction of each of the Sellers and each of the Claim Holders that it has entered into a funding arrangement (utilising debt and/or equity) for an amount of no less than R25 000 000 to fund the working capital requirements and the care and maintenance costs of Blue Ridge;

2.3.3 by no later than 90 business days after fulfilment or waiver of the Conditions referred to in paragraph 2.3.1 above, Mantengu and all relevant counterparties have signed definitive and binding transaction and funding agreements to the reasonable written satisfaction of each of the Sellers and each of the Claim Holders, for implementing, by no later than the Effective Date, ownership of Blue Ridge by Historically Disadvantaged South Africans, compliant with the BEE requirements stipulated in the BEE Legislation comprising the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003), as amended, re-enacted or replaced from time to time, together with the regulations thereto ("**B-BBEE Act**");

2.3.4 by no later than 90 business days after fulfilment or waiver of the Conditions referred to in paragraph 2.3.1 above, the Section 11 Application (being the application to the Minister of Mineral and Petroleum Resources ("**Minister**") for consent contemplated in section 11(1) of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), as amended, to the change of controlling interest in Blue Ridge pursuant to the Transaction ("**Ministerial Consent**")) has been submitted by Ridge Mining to the Department of Mineral and Petroleum Resources ("**DMR**"), and notifying the DMR of the transactions and arrangements contained in the Agreement;

2.3.5 by no later than the 18 months after the Signature Date, or such other date as Mantengu and Sellers may agree ("**Long Stop Date**"), (i) a security release and cancellation agreement is concluded between Blue Ridge, Mantengu, the IDC, the DBSA, Sibanye Bermuda, Morning Tide Investments 293 Proprietary Limited ("**Morning Tide**") (a security special purpose vehicle established as an independent entity to hold security on behalf of the IDC and the DBSA securing the debt investments made into Blue Ridge under the IDC Debt Agreements and the DBSA Debt Agreements, respectively, and which is 100% owned by an inter-vivos

trust established for the purpose); and (ii) between Ridge Mining and Imbani in relation to the release and cancellation of all security in favour of Morning Tide, as contemplated in the Agreement ("**Security Release and Cancellation Agreement**");

- 2.3.6 by no later than 17:00 on 18 October 2024, a Consent and Standstill Agreement is concluded between the DBSA, the IDC, Imbani, Morning Tide, Ridge Mining, Sibanye Bermuda, Western Platinum and Blue Ridge in terms of which the Claim Holders and Morning Tide (a) consent to the conclusion and execution of the Agreement as same may be required by the "Specified Agreements"(as therein defined); and (b) agree to an orderly and co-ordinated standstill in connection with the exercise of any rights enjoyed by any of them against Blue Ridge, or any recipient of "security" (as such term is defined in the Agreement) in connection with any of the Specified Agreements; and
- 2.3.7 by no later than the Long Stop Date, the Ministerial Consent has been obtained.
- 2.3.8 Should the Conditions not be fulfilled for any reason whatever, the Agreement (other than the Effective Provisions, by which the Parties shall remain bound) shall cease to be of any further force and effect and the Parties shall be restored as near as may be possible to the position in which they would have been had the Agreement not been entered into.

## 2.4 Consideration

- 2.4.1 As consideration for the acquisition of the Sale Equity, Mantengu shall pay each of the Sellers the Sale Equity Purchase Consideration in cash, from immediately available funds, on the Effective Date as follows:
  - 2.4.1.1 in respect of Ridge Mining:
    - 2.4.1.1.1 R1.00 for the Ridge Mining Sale Shares; and
    - 2.4.1.1.2 R25.00 for the Ridge Mining Sale Claims,collectively, the "**Ridge Mining Purchase Consideration**"; and
  - 2.4.1.2 in respect of Imbani:
    - 2.4.1.2.1 R1.00 for the Imbani Sale Shares; and
    - 2.4.1.2.2 R4.00 for the Imbani Sale Claims,collectively, the "**Imbani Purchase Consideration**".
- 2.4.2 As consideration for the Sale Claims, Mantengu shall pay each of the Claim Holders in cash, from immediately available funds, on the Effective Date as follows:
  - 2.4.2.1 in respect of the DBSA Claim:
    - 2.4.2.1.1 a nominal cash amount of R22.00 ("**DBSA Nominal Amount**") in cash, from immediately available funds, on the Effective Date; and
    - 2.4.2.1.2 an amount of R39 150 175 payable to DBSA ("**DBSA Deferred Amount**"),collectively, the "**DBSA Claim Purchase Consideration**";
  - 2.4.2.2 in respect of the IDC Claim:
    - 2.4.2.2.1 a nominal cash amount of R14.00 ("**IDC Nominal Amount**") in cash, from immediately available funds, on the Effective Date; and
    - 2.4.2.2.2 an amount of R25 518 762 payable to IDC ("**IDC Deferred Amount**"),collectively, the "**IDC Claim Purchase Consideration**";
  - 2.4.2.3 in respect of the Sibanye Bermuda Claim, a nominal cash amount of R23.00 in cash, from immediately available funds, on the Effective Date ("**Sibanye Bermuda Claim Purchase Consideration**"); and
  - 2.4.2.4 in respect of the Western Platinum Claim, a nominal cash amount of R1.00 in cash, from immediately available funds, on the Effective Date ("**Western Platinum Claim**");

**Purchase Consideration”).**

2.4.2.5 Payment of the DBSA Deferred Amount and the IDC Deferred Amount by the Purchaser will be subject to the following:

2.4.2.5.1 Each Deferred Amount will only be paid on a *pro rata* basis from the gross profit as reflected in the income statement of Blue Ridge’s audited financial statements (“**AFS**”).

2.4.2.5.2 Payments will be made in annual instalments not later than 30 days following the adoption of the AFS, with effect from the first anniversary of the Effective Date and until such time as (i) the relevant Claim Holder’s *pro rata* portion of the Deferred Amount has been reached; or (ii) the respective Claim Purchase Consideration for the sale Claim to which the Deferred Amount relates has been paid in full to the IDC and the DBSA, whichever occurs first.

2.4.3 As consideration for the Trade Payables, Mantengu shall pay each of the Trade Payables Sellers as follows:

2.4.3.1 in respect of the RMS Trade Payables, an amount of R1.00 (“**RMS Trade Payable Purchase Consideration**”);

2.4.3.2 in respect of the IMT Trade Payables, an amount of R1.00 (“**IMT Trade Payable Purchase Consideration**”);

2.4.3.3 in respect of the SGSS Trade Payables, an amount of R5.00 (“**SGSS Trade Payable Purchase Consideration**”). Additionally, Mantengu undertakes to instruct Standard Bank of South Africa Limited (“**SBSA**”) (and to the extent necessary, procure that SBSA makes) payment of the cash held by SBSA as security for the financial guarantees in respect of the rehabilitation obligations of Blue Ridge to the DMR (“**Restricted Cash**”), to SGGS.;

2.4.3.4 in respect of the SG Trade Payables, an amount of R1.00 (“**SG Trade Payable Purchase Consideration**”); and

2.4.3.5 in respect of the SGPS Trade Payables, an amount of R1.00 (“**SGPS Trade Payable Purchase Consideration**”),

collectively, the “**Trade Payables Purchase Consideration**”.

## **2.5 Effective Date**

The Effective Date of the Transaction is the first business day following the date on which the last of the Conditions has been fulfilled or waived, as the case may be.

## **2.6 Financial information**

The audited net asset value of Blue Ridge for the year ended 31 December 2023 was negative R1 980 million. The audited loss attributable to Blue Ridge for the year ended 31 December 2023 was R40.7 million.

The December 2023 financial statements were prepared in accordance with International Financial Reporting Standards.

## **2.7 Warranties**

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

## **2.8 Memorandum of incorporation of Blue Ridge**

In compliance with paragraph 10.21 of Schedule 10 of the JSE Listings Requirements, Mantengu will ensure that the provisions of the memorandum of incorporation of Blue Ridge do not frustrate or relieve the Company in any way from compliance with its obligations in terms of the JSE Listings Requirements.

### **3. Categorisation of the Transaction**

The Transaction is classified as a Category 2 transaction in terms of the JSE Listings Requirements.

Johannesburg  
10 October 2024

**Designated Adviser**  
Merchantec Capital