

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 10 of this Circular apply *mutatis mutandis* throughout this Circular.

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

If you have disposed of all of your Shares in Mantengu, then this Circular, together with the attached Notice of General Meeting and Form of Proxy (*yellow*) should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your Shares.

Shareholders should note that whilst the entire Circular is important, requires your immediate attention and should be read in its entirety, particular attention should be paid to the section entitled "Action required by Mantengu Shareholders" commencing on page 4 of this Circular.

Mantengu does not accept any responsibility and will not be held liable for any failure on the part of any CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be concluded thereat.

Mantengu^o

Next Generation Mining

MANTENGU MINING LIMITED
(formerly Mine Restoration Investments Limited)

Incorporated in the Republic of South Africa

(Registration number 1987/004821/06)

Share code: MTU ISIN: ZAE000302360

("Mantengu" or "the Company")

CIRCULAR TO MANTENGU SHAREHOLDERS

regarding:

- the Related Party Proposed Acquisition of Langpan Mining Co;
- the Increase in Authorised Share Capital and related amendments to the Mantengu MOI;
- the Share Consolidation and related amendments to the Mantengu MOI; and
- the approval and adoption of the Mantengu Performance Share Plan;

incorporating:

- Revised Listing Particulars;
 - the Independent Expert Report in respect of the Proposed Acquisition;
 - the executive summary of the Competent Person's Report;
 - the Notice of General Meeting; and
 - the Form of Proxy (*yellow*) (for use by *Certificated Shareholders and Dematerialised Shareholders with "own name" registration only*).
-

Transaction Sponsor and Designated Adviser



Independent Expert

LETSEMA

Reporting Accountants



Competent Person



Auditors



Date of issue: Monday, 30 May 2022

Additional copies of this Circular, in its printed format, may be obtained from the registered office of the Company and the Transaction Sponsor and Designated Adviser at the addresses set out in the "Corporate information and advisors" section of this Circular during normal business hours from Monday, 30 May 2022 up to and including, Thursday, 30 June 2022 subject to any applicable lockdown restrictions imposed as a result of the COVID-19 pandemic, and on the Company's website at www.mantengu.com. Copies of this Circular are available in the English language only.

CORPORATE INFORMATION AND ADVISORS

Mantengu Mining Limited

(formerly Mine Restoration Investments Limited)

Date of incorporation: 5 October 1987

Place of incorporation: South Africa

Registered address of Mantengu

(Registration number 1987/004821/06)

Lower Ground Floor Block F Pinmill

164 Katherine Street

Sandton, 2028

(PO Box 866, Rivonia, 2128)

Company Secretary

Neil Esterhuysen & Associates Inc.

(Registration number 2012/046043/21)

Units 23 and 24, Norma Jean Square

244 Jean Avenue

Centurion, 0157

(PO Box 814, Irene, 0062)

Transaction Sponsor and Designated Adviser

Merchantec Proprietary Limited

(Registration number 2008/027362/07)

13th Floor, Illovo Point

68 Melville Road

Illovo, 2196

(PO Box 41480, Craighall, 2024)

Reporting Accountants

HLB CMA (South Africa) Incorporated

Chartered Accountants (SA)

(Registration number 1997/013001/21)

CMA Office and Conference Park

No.1, Second Road, Halfway House, 1685

(Private Bag X168, Halfway House, Midrand, 1685)

Transfer Secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

(Private Bag X9000, Saxonwold, 2132)

Langpan Mining Co Proprietary Limited

Date of incorporation: 20 September 2017

Place of incorporation: South Africa

Registered address of Langpan Mining Co:

(Registration number 2017/420702/07)

Lower Ground Floor Block F Pinmill

164 Katherine Street

Sandton, 2080

(PO Box 866, Rivonia, 2128)

Independent Expert

Letsema Corporate Finance Proprietary Limited

(Registration number 2017/115241/07)

1st Floor, 34 Melrose Boulevard

Melrose Arch

Johannesburg, 2196

(PO Box 1768, Gallo Manor, 2052)

Competent Person

Bara Consulting Proprietary Limited

(Registration number 2013/099536/07)

1st Floor, Cresta Corner

Cresta

Johannesburg, 2194

(PO Box 496, Cresta, 2118)

Auditors

Ngubane & Co (Johannesburg) Inc.

Chartered Accountants (SA)

(Registration number 2010/016757/21)

Ngubane House, 1 Superior Road

Midrand, 1685

(PO Box 8468, Halfway House, Midrand, 1685)

FORWARD-LOOKING STATEMENT DISCLAIMER

This Circular contains statements about Mantengu and/or the Group that are, or may be, forward-looking statements. All statements (other than statements of historical fact) are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity, capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditures, acquisition strategy, expansion prospects or future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Mantengu cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Mantengu operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions, as regards Mantengu, made by Mantengu as communicated in publicly available documents, all of which estimates and assumptions, although Mantengu believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Mantengu or not currently considered material by Mantengu.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Mantengu not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Mantengu has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statement has neither been reviewed nor reported on by the external auditors.

ACTION REQUIRED BY MANTENGU SHAREHOLDERS

This Circular is important, requires your immediate attention and should be read in its entirety.

If you have disposed of all of your Shares in Mantengu, then this Circular, together with the attached Notice of General Meeting and Form of Proxy (*yellow*) should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your Shares.

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

General Meeting

A General Meeting of Mantengu Shareholders will be held at 10:00 on Thursday, 30 June 2022 to be conducted entirely by electronic facility/communication as permitted by section 63(2)(a) of the Companies Act, the JSE and clause 5.5 of Mantengu's MOI, in order to consider, and if deemed fit, approve with or without modification, the Resolutions set out in the Notice of General Meeting.

Mantengu Shareholders are referred to the Notice of General Meeting for detail on the Resolutions to be proposed at the General Meeting.

Electronic Participation at the General Meeting

The electronic meeting facilities arranged will permit all participants at the General Meeting to communicate concurrently, without an intermediary, and to participate reasonably effectively in the meeting. Mantengu Shareholders are advised that, in accordance with clause 5.5 of the MOI, they will be able to participate, **but not vote**, via electronic communication.

In terms of section 61(10) of the Companies Act, Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Transfer Secretaries, Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa or Private Bag X9000, Saxonwold, 2132 or via email to proxy@computershare.co.za by no later than 10:00 on Tuesday, 28 June 2022 that they wish to participate via electronic communication at the General Meeting (the "**Electronic Notice**"). However, any Shareholder or proxy that does not send an Electronic Notice by 10:00 on Tuesday, 28 June 2022, may still participate via electronic communication at the General Meeting and may email that Electronic Notice at any time prior to the commencement of the General Meeting.

The Transfer Secretaries will assist Shareholders with the requirements for electronic participation in the General Meeting. The Transfer Secretaries are further obliged to validate each such Shareholder's entitlement to participate in the General Meeting, before providing him with the necessary means to access the General Meeting. For the Electronic Notice to be valid it must:

- if the Shareholder is an individual, include a certified copy of his identity document and/or passport;
- if the Shareholder is not an individual, include a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. Such resolution must set out the details of the authorised individual representing the relevant entity at the General Meeting; and
- a valid e-mail address and/or facsimile number (the contact address/number).

The Company and/or the Transfer Secretaries shall, by no later than 24 hours prior to the commencement of the General Meeting, notify a Shareholder who has delivered a valid Electronic Notice, at its contact address/number of the relevant details through which the Shareholder can participate via electronic communication.

Mantengu Shareholders will be liable for their own network charges in relation to electronic participation in the General Meeting. Any such charges will not be for the account of Mantengu, the Transfer Secretaries and/or any third party service provider appointed in order to facilitate the General Meeting by electronic means.

None of Mantengu, the Transfer Secretaries or any third party service provider appointed to facilitate the General Meeting by electronic means can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Mantengu Shareholder from participating in the General Meeting. In order

to ensure that all Shareholders' votes are taken into account, Shareholders are strongly encouraged to submit a duly completed Form of Proxy (*yellow*) in accordance with the instructions contained therein.

As required in terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the Chairperson of the General Meeting must be reasonably satisfied that the right of that person to participate and vote, either as a Shareholder or as a proxy for a Shareholder, has been reasonably verified. In order to comply with the verification procedure set out in section 63(1) of the Companies Act, Mantengu Shareholders wishing to participate electronically in the General Meeting are required to effect compliance with the procedures detailed above.

Any Shareholder or proxy that does not send an Electronic Notice by 10:00 on Tuesday, 28 June 2022, may still participate, **but not vote**, via electronic communication at the General Meeting and may email that Electronic Notice at any time prior to the commencement of the General Meeting. However, for the purpose of effective administration, Mantengu Shareholders and their proxies are strongly urged to send the Electronic Notice by 10:00 on Tuesday, 28 June 2022. The electronic communication employed will enable all persons participating in the General Meeting to communicate concurrently with one another without an intermediary and to participate reasonably effectively in the General Meeting.

1. IF YOU HAVE DEMATERIALIZED YOUR SHARES AND DO NOT HAVE “OWN-NAME” REGISTRATION

1.1 Attendance, representation and voting at the General Meeting

- 1.1.1 If you wish to attend the General Meeting via electronic communication, you should instruct your CSDP or broker to issue you with the necessary letter/s of representation to attend the General Meeting, in the manner stipulated in the Custody Agreement governing the relationship between you and your CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.
- 1.1.2 If you do not wish to or are unable to attend the General Meeting, but wish to vote thereat, you should provide your CSDP or broker with your voting instructions in the manner stipulated in the Custody Agreement governing the relationship between you and your CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature. If your CSDP or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or broker.
- 1.1.3 You must **not** complete the attached Form of Proxy (*yellow*).

2. IF YOU HAVE NOT DEMATERIALIZED YOUR SHARES OR IF YOU HAVE DEMATERIALIZED YOUR SHARES WITH “OWN-NAME” REGISTRATION

2.1 Attendance, representation and voting at the General Meeting

- 2.1.1 You may attend the General Meeting via electronic communication and vote thereat by means of the attached Form of Proxy (*yellow*) as set out in paragraph 2.1.2 below.
- 2.1.2 If you do not wish to or are unable to attend the General Meeting, but wish to be represented thereat, you must complete the attached Form of Proxy (*yellow*) in accordance with the instructions contained therein and return it to the Transfer Secretaries, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (Private Bag X9000, Saxonwold, 2132) or by email to proxy@computershare.co.za, to be received by them by no later than 10:00 on Tuesday, 28 June 2022. Alternatively, the Form of Proxy (*yellow*) may be provided to the Chairperson of the General Meeting before the appointed proxy exercises any of the Shareholder's votes thereat.

3. GENERAL

- 3.1 If you wish to Dematerialise your Shares, please contact your CSDP or broker.

- 3.2 Shareholders should note that it will take between one and 10 Business Days to Dematerialise your Shares through your CSDP or broker.
- 3.3 Shareholders that do not have a CSDP or broker can contact the Transfer Secretaries directly to Dematerialise their Shares on 086 1100 634 (or +27 11 370 5000 if calling from outside of South Africa) on every Business Day between 08:30 and 16:00.
- 3.4 No orders to Dematerialise or rematerialise Shares will be processed from the Business Day following the last day to trade in respect of the General Meeting up to and including the General Meeting record date, but such orders will again be processed from the first Business Day thereafter.

4. ACTION REQUIRED BY SHAREHOLDERS IN TERMS OF THE SHARE CONSOLIDATION

Should the Share Consolidation be approved and implemented:

4.1 Dematerialised Shareholders

- 4.1.1 Dematerialised Shareholders need not take any action as their shareholding will be automatically updated by their CSDP or broker.

4.2 Certificated Shareholders

- 4.2.1 Currently, there are no Certificated Shareholders on the Register. In the event that any Shareholders rematerialise their Mantengu Shares prior to the Share Consolidation LDT, such Shareholders will receive the Mantengu Shares reflecting the Share Consolidation to which they are entitled pursuant to the Share Consolidation in dematerialised form.

SALIENT DATES AND TIMES

2022

| | |
|-----------------------------------------------------------------------------------------------------------------|-------------------|
| Record date to determine which Shareholders are entitled to receive the Circular | Friday, 20 May |
| Circular distributed to Shareholders and notice convening the General Meeting announced on SENS on | Monday, 30 May |
| Last day to trade in respect of the General Meeting | Tuesday, 21 June |
| General Meeting record date | Friday, 24 June |
| Last day to lodge forms of proxy for the General Meeting with the Transfer Secretaries by 10:00 on ³ | Tuesday, 28 June |
| General Meeting to be held at 10:00 on | Thursday, 30 June |
| Results of General Meeting released on SENS on | Thursday, 30 June |
| Expected date of issue of the Consideration Shares | Friday, 5 August |

Notes:

1. All times referred to in this Circular are references to South African Standard Time.
2. The dates and times set out in the table above are subject to amendment. Any such amendment will be released on SENS.
3. Forms of Proxy may be submitted electronically to the Chairperson of the General Meeting at mike@mantengu.com at any time before the appointed proxy exercises any of the Shareholder's votes at the General Meeting or any adjournment thereof.
4. The dates pertaining to the Rights Offer and the Share Consolidation will be incorporated in a circular setting out the full particulars relating to the Rights Offer to be distributed to Shareholders in due course.

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DEFINITIONS AND INTERPRETATIONS

In this Circular and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column hereunder have the meaning stated opposite them in the second column, as follows:

| | |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Alliance Conveying Systems” | Alliance Conveying Systems CC (Registration number 2006/125219/23), duly registered and incorporated in accordance with the laws of South Africa, and a multi-disciplinary mining engineering close corporation with offices at 27 Percy Sherwell Street, Unitas Park, Vereeniging providing mining, mineral processing, energy, water treatment and infrastructure services from concept to commissioning and comprehensive operations and maintenance services; |
| “Amolo Holdings” | Amolo Holdings Proprietary Limited (Registration number 2018/228546/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Mark Wade (10%) and the Wade Family Trust (90%), and a Vendor; |
| “AltX” | the Alternative Exchange of the JSE; |
| “Andru” | Andru Proprietary Limited (Registration number 1986/000319/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Sueghton Proprietary Limited (33%), RN JAN Proprietary Limited (33%) and DCSP Investments Proprietary Limited (33%), and a Vendor; |
| “Announcement” | the announcement released on SENS on 22 April 2022 wherein Shareholders were provided with the pertinent details of the Transactions; |
| “Berlein” | Catherine Berlein, a Vendor; |
| “BLM Global Partners” | BLM Global Partners RSA Proprietary Limited (Registration number 2017/094201/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Munyaradzi Murape (50%) and Nomathemba Nkomo (50%), and a Vendor; |
| “Board” or “Directors” | the board of directors of Mantengu; |
| “Breamline” | Breamline Proprietary Limited (Company number 617846330), a private company registered in accordance with the laws of Australia which is owned by Christian Cordier (50%) and the Letitia Cordier (50%), and a Vendor; |
| “Business Day” | any day other than a Saturday, Sunday or a public holiday in South Africa; |
| “CCAAC Investments” | CCAAC Investments Proprietary Limited (Registration number 2020/719058/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Andrew Lanning (34.62%), Martin Bey (19.23%), John Dobson (19.23%), Sean Coetzee (19.23%) and Neil Ellard (7.69%), and a Vendor; |
| “Certificated Shareholder” | a Mantengu Shareholder who holds Certificated Shares; |
| “Certificated Share” | a Mantengu Share that has not been Dematerialised, title to which is evidenced by a Document of Title; |
| “CIPC” | the Companies and Intellectual Property Commission established pursuant to section 185 of the Companies Act; |
| “Circular” | this bound document, dated Monday, 30 May 2022, including all annexures hereto and incorporating a Notice of General Meeting and the Form of Proxy (<i>yellow</i>); |
| “Collins” | Alistair Collins, a former Independent Non-executive Director of Mantengu, who by virtue of being a former Director of the Company, is classified as a Related Party; |

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|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Collins Family Trust” | the trustees for the time being of the Alistair Collins Family Trust (Master’s reference IT000952/2018 (C)) the beneficiaries of which are Collins, Tanya Collins and Gemma Collins, and a Vendor; |
| “Common Monetary Area” | South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswateni; |
| “Companies Act” | the Companies Act, 2008 (Act 71 of 2008), as amended; |
| “Competent Person” | a person who is registered with the South African Council for Natural Scientific Professions, ECSA, the South African Geomatics Council or is a Member or Fellow of the Southern African Institute of Mining and Metallurgy, the Geological Society of South Africa, the Institute of Mine Surveyors of Southern Africa or a Recognised Professional Organisation, with such persons, for the purposes of the Competent Person’s Report referred to in this Circular being in the employ of Bara Consulting Proprietary Limited (Registration number 2013/099536/07), a private company duly registered and incorporated in accordance with the laws of South Africa, and Mantengu’s Consulting Engineers; |
| “Competent Person’s Report” | the report prepared by the Competent Person in compliance with section 12 of the Listings Requirements; |
| “Conditions Precedent” | the conditions precedent to the Proposed Acquisition as set out in paragraph 4.4 of this Circular; |
| “Consideration Shares” | 137 500 000 000 Mantengu Shares (prior to the Share Consolidation) to be issued to the Vendors as consideration for the Proposed Acquisition in the relevant proportions as set out in Annexure 1 to this Circular; |
| “COVID-19” | the name given by the World Health Organisation on 11 February 2020 for the disease caused by the coronavirus SARS-CoV-2. COVID-19 is the acronym that stands for coronavirus disease of 2019 ; |
| “Creditor Compromise” | <p>the agreement between Memor Mining, the shareholders and creditors of Memor Mining (referred to as the “Memor Mining Shareholders” and the “Memor Mining Creditors”, respectively) and Langpan Mining Co which is governed by a “Creditor Compromise Agreement” dated 29 June 2020, in terms of which the parties agreed, <i>inter alia</i>, that:</p> <ul style="list-style-type: none"> - Memor Mining will settle an aggregate amount of R51.1 million, being the sum of the amounts owed to Memor Mining’s Creditors; - Langpan Mining Co will settle an aggregate amount of R40 million owing to certain Creditors (“Excess Amount”) <i>pro rata</i>, and which liability Langpan Mining has assumed in terms of a cession agreement entered into between the Memor Mining Creditors and Langpan Mining Co on or about 29 June 2020 in terms of which such Creditors have transferred and ceded on an out-and-out basis to Langpan Mining Co the ‘Ceded Rights’ (representing the Excess Amount); and - Memor Mining will settle the share purchase consideration pursuant to Langpan Mining Co’s acquisition of the entire issued share capital of Memor Mining, being an aggregate amount of R2.1 million, of which <i>pro rata</i> payment to the Memor Mining Shareholders is deferred until the Memor Mining Creditors have been paid in full in terms of the Creditor Compromise Agreement;; |
| “CSDP” | a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, appointed by an individual shareholder for the purposes of, and in regard to dematerialisation; |
| “Custody Agreement” | the agreement which regulates the relationship between the CSDP or broker and each beneficial holder of dematerialised shares; |
| “Dematerialisation” | the process by which Certificated Shares are converted into electronic format as Dematerialised Shares and recorded in Mantengu’s Uncertificated Securities Register; |
| “Dematerialised Shareholder” | a Mantengu Shareholder who holds Dematerialised Shares; |

| | |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Dematerialised Share” | a Mantengu Share that has been Dematerialised or has been issued in Dematerialised form, and recorded in Mantengu’s Uncertificated Securities Register; |
| “Dev Maharaj Family Trust” | the trustees for the time being of the Dev Maharaj Family Trust , an <i>inter vivos</i> trust duly formed in terms of the Trust Property Control Act, 1988 and registered with the Master of the High Court under reference number IT000181/2015 (N) the beneficiaries of which are Devendranath Maharaj, Umah Mahara, Shikar Maharaj and Nikay Maharaj, and a Vendor; |
| “Disruption Capital” | Disruption Capital Proprietary Limited (Registration number 2015/336955/07), a private company duly registered and incorporated in accordance with the laws of South Africa, and a Vendor, the director of which is Mantengu Director, Miller, who beneficially owns 100% of the issued shares in Disruption Capital; |
| “DMRE” | the South African Department of Mineral Resources and Energy; |
| “Documents of Title” | share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable documents of title acceptable to Mantengu in respect of Mantengu Shares; |
| “Effective Date” | with respect to the Proposed Acquisition, the date that is nine months from the date of signature of the Share Purchase Agreement, being 22 January 2023, or such other date as the parties thereto may agree upon in writing; |
| “Exchange Control Regulations” | the Exchange Control Regulations, 1961, as amended from time to time, promulgated in terms of section 9 of the South African Currency and Exchanges Act, No. 9 of 1933, as amended from time to time; |
| “Financial Markets Act” | Financial Markets Act, 2012 (Act 19 of 2012), as amended; |
| “Foreign Shareholder” | a Shareholder who is not resident in, or who has a registered address outside of South Africa, as contemplated in the Exchange Control Regulations; |
| “Form of Proxy (yellow)” | for purposes of the General Meeting, the form of proxy (<i>yellow</i>) attached to and forming part of this Circular for use by Certificated Shareholders and Dematerialised Shareholders with “own-name” registration only; |
| “Frankim” | Sean Frankim, a Vendor; |
| “Funder” | Azisa Limited, a company incorporated in the Republic of Seychelles (Company number 114252) and registered office at c/o Trident Trust Company (Seychelles) Limited, Trident Chambers, PO Box 1388, Victoria, Mahe, Republic of Seychelles, which is 100% owned by Paul Keith Beard; |
| “Gamsy Family Trust” | the trustees for the time being of the Gamsy Family Trust, an <i>inter vivos</i> trust duly formed in terms of the Trust Property Control Act, 1988 and registered with the Master of the High Court under reference number IT 6262/02 the beneficiaries of which are Gillian Gamsy, Dennis Gamsy, Glenn Gamsy and Darryn-lee Cronson; |
| “General Meeting” | the general meeting of Mantengu Shareholders to be held at 10:00 on Thursday, 30 June 2022, to be conducted entirely by electronic facility/communication as permitted by section 63(2)(a) of the Companies Act, the Listings Requirements and Mantengu’s MOI, which meeting is convened in terms of the Notice of General Meeting attached to and forming part of this Circular; |
| “Geyer” | Jennifer Suzanne Geyer, a Vendor; |
| “Ginger Cat Holdings” | Ginger Cat Holdings Proprietary Limited (Registration number 2011/001432/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is 100% owned by Nicolas Loubser, and a Vendor; |
| “G Mason” | Gavin Wayne Mason, a Vendor |
| “Gravy Holdings” | Gravy Holdings Proprietary Limited (Registration number 2018/228520/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Greg Greyvensteyn (10%) and the Gravy Family Trust (90%), and a Vendor; |

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| “Group” or “Mantengu Group” | Mantengu and, after the implementation of the Proposed Acquisition, Langpan Mining Co and its Subsidiary, Memor Mining; |
| “g/t” | grammes per tonne; |
| “ha” | hectares; |
| “Human” | Petrus Johannes Human, a Vendor; |
| “IFRS” | International Financial Reporting Standards; |
| “I Miller” | Ian Miller, a Vendor and Miller’s father; |
| “Income Tax Act” | the Income Tax Act, 1962 (Act 58 of 1962), as amended from time to time; |
| “Increase in Authorised Share Capital” | the increase in authorised share capital of the Company from 1 000 000 000 Mantengu Shares to 155 000 000 000 Mantengu Shares, by the creation of a further 154 000 000 000 Mantengu Shares as detailed in paragraph 5 of this Circular; |
| “Increase in Authorised Share Capital and MOI Amendment Resolution” | Special Resolution Number 1 set out in the Notice of General Meeting, which resolution is required to be approved by Shareholders in order to implement and give effect to the Increase in Authorised Share Capital; |
| “Independent Expert” | Letsema Corporate Finance Proprietary Limited (Registration number 2017/115241/07), being the independent expert appointed by the Board to provide the fairness opinion on the Proposed Acquisition for the purposes of paragraph 10.4(f) of the Listings Requirements; |
| “Independent Expert Report” | the report prepared by the Independent Expert, providing Mantengu Shareholders with the opinion of the Independent Expert, in accordance with the paragraph 10.4(f) of the Listings Requirements; |
| “Inpro” | Inpro Limited (Company number 154253), a private company registered in accordance with the laws of Mauritius which is 100% owned by Bernard Jakobus Van Heerden, and a Vendor; |
| “Its Really Me” | Its Really Me Proprietary Limited (Registration number 2014/243017/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is 100% owned by Megan Nel, and a Vendor; |
| “JSE” | JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act; |
| “J Mason” | Jennifer Mason, a Vendor |
| “Keith” | Keith Lee Shew, a Vendor; |
| “Kianalily” | Kianalily Proprietary Limited (Registration number 2018/342199/07), a private company duly incorporated in accordance with the laws of South Africa which is owned by Ulrich Bester (10%), Kiana Lily Bester (45%) and Nemali Sasha Bester (45%), and a Vendor; |
| “KL Miller” | Katherine Louise Miller, a Vendor and Miller’s sister-in-law; |
| “ktpm” | kiloton per month; |
| “Langpan Farm” | the farm known as Langpan 371 KQ, situated 17 kilometres south of Thabazimbi (Limpopo) on the western limb of the Bushveld Complex; |
| “Langpan Mining Co” | Langpan Mining Co Proprietary Limited (Registration number 2017/420702/07), a private company duly incorporated in accordance with the laws of South Africa, the shareholders of which are, until the implementation of the Proposed Acquisition, the Vendors set out in Annexure 1 to this Circular, and the owner of the Mine and the Plant and Infrastructure, and the indirect owner of the Mining Right as a result of its acquisition of the entire issued share capital of Memor Mining; |
| “Last Practicable Date” | Friday, 20 May 2022, being the last practicable date prior to the finalisation of this Circular; |

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| “Listings Requirements” | the Listings Requirements of the JSE, as amended from time to time by the JSE; |
| “L Miller” | Lynne Miller, a Vendor and Miller’s mother; |
| “LWS Family Office” | LWS Family Office Proprietary Limited (Registration number 2016/471050/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Clifford Lewis (10%), Elzette Liebenberg (10%), Merit Line Merchants Proprietary Limited (18%), Summa Investments (18%) and the Lewis Family Trust (44%), and a Vendor; |
| “Mantengu” or “the Company” | Mantengu Mining Limited (formerly Mine Restoration Investments Limited) (Registration number 1987/004821/06), a public company duly registered and incorporated under the laws of South Africa and listed on the AltX; |
| “Mantengu Shareholders” or “Shareholders” | holders of Mantengu Shares; |
| “Mantengu Shares” or “Shares” | ordinary shares of no par value in the authorised and/or issued share capital of Mantengu, as the case may be; |
| “Maximum Feed Capacity” | the maximum possible feed capacity of the chrome wash plant, which forms part of the Plant and Infrastructure, being 33 ktpm; |
| “Memor Marketing” | Memor Marketing Proprietary Limited (in liquidation) (Registration number 2009/012919/07), a private company duly registered and incorporated under the laws of South Africa; |
| “Memor Mining” | Memor Mining Proprietary Limited (Registration number 2010/015039/07), a private company duly registered and incorporated under the laws of South Africa, a wholly-owned Subsidiary of Langpan Mining Co and the owner of the Mining Right; |
| “Merchantec Capital” or “Designated Adviser” or “Transaction Sponsor” | Merchantec Proprietary Limited (Registration number 2008/027362/07), a private company duly registered and incorporated under the laws of South Africa; |
| “Miller” | Michael Miller, the Non-executive Chairperson of Mantengu, who beneficially owns 100% of the issued shares in Disruption Capital and by virtue of being a Director of the Company, is classified as a Related Party; |
| “Mine” | the mine situated on Langpan Farm, the operation of which is to be conducted by Langpan Mining Co in terms of the Mining Right; |
| “Mining Agreement” | the mining agreement concluded between Langpan Mining Co and Memor Mining on 8 August 2018 pursuant to which Langpan Mining Co has been granted the exclusive right to mine ore on the Mine under the Mining Right; |
| “Mining Right” | Memor Mining’s mining right to mine chrome and PGM (6E) on Langpan Farm; |
| “MOI” or “Mantengu MOI” | the memorandum of incorporation of Mantengu; |
| “MPRDA” | Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), as amended from time to time; |
| “Mt” | million tonnes; |
| “Mtpa” | million tonnes per annum; |
| “Musekene” | Nndanganeni Musekene, a Vendor; |
| “NAV” | net asset value; |
| “Notice of General Meeting” | the notice of the General Meeting attached to and forming part of this Circular; |
| “Offtake Agreements” | collectively, the offtake agreements entered into between Langpan Mining Co and Scutella (respectively, bearing the titles “APC Supply Agreement”, “Surplus Supply Agreement” and “Top-up Agreement”) in relation to the sale of chrome concentrate for a five year period each of which is dated 8 October 2019 and |

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| | each of which was most recently amended on 30 December 2021 to extend the “Long Stop Date” (as therein defined) to 31 December 2022; |
| “Operating Feed Capacity” | the current feed capacity at which the chrome wash plant, which forms part of the Plant and Infrastructure, operates, being a total of 28 ktpm ore taking into account expected down-time; |
| “Ordinary Resolution” | a resolution adopted by Shareholders with the support of more than 50% of the voting rights exercised on such resolution, or such higher threshold as may be required by the Listings Requirements, as the case may be; |
| “Oz” | troy ounces; |
| “Parkview Trust” | the trustees for the time being of the Parkview Trust (Master’s reference number IT1143/98), and a Vendor; |
| “Performance Share Plan” or “PSP” | the Mantengu Performance Share Plan, the rules, terms and conditions of which were approved by the JSE on 14 December 2021, to be tabled at the General Meeting for approval by Shareholders, salient features of which are set out in Annexure 17 to this Circular and which is available for inspection as set out in paragraph 26 of this Circular; |
| “PGM (6E)” | the platinum group metals comprising of ruthenium, rhodium, palladium, osmium, iridium and platinum; |
| “Pinotage Trustees” | Pinotage Trustees Sarl (Registration number CHE – 114.553.493), a limited liability company incorporated in Switzerland, which is 100% owned by the Mvikeli Trust, and a Vendor; |
| “Plant and Infrastructure” | the operational plant and infrastructure which washes chrome ore and is situated on Langpan Farm, owned and operated by Langpan Mining Co; |
| “Proposed Acquisition” | the proposed Category 1 Related Party acquisition (reverse take-over) by Mantengu of 100% of Langpan Mining Co from the Vendors for an aggregate purchase consideration of R550 million, which purchase consideration is to be settled by way of issue of the Consideration Shares, and which is governed in terms of the Share Purchase Agreement; |
| “Putisolve” | Putisolve Proprietary Limited (Registration number 2020/250475/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is 100% owned by Jonas Tshifhiwa Tshikunadamalema, and a Vendor; |
| “Rand” or “R” | South African Rand, the official currency of South Africa; |
| “Register” | Mantengu’s securities register, including the Uncertificated Securities Register; |
| “Regulations” or “Takeover Regulations” | the Companies Regulations, 2011 promulgated in terms of sections 120 and 223 of the Companies Act; |
| “Related Party” | a related party as defined in the Listings Requirements; |
| “Resolutions” | collectively, the Ordinary Resolutions and the Special Resolutions to be proposed at the General Meeting, as contained in the Notice of General Meeting, and “Resolution” means any one of them as the context may require; |
| “Revised Listing Particulars” | the revised listing particulars accompanying this Circular, which are issued in accordance with the Listings Requirements; |
| “Rights Offer” | subject to the successful implementation of the Proposed Acquisition, a partially underwritten renounceable rights offer by Mantengu to its Shareholders in terms of which Shareholders will be entitled to subscribe for 150 000 000 new Shares (“Rights Offer Shares”) at a subscription price of 0.1 cent per Rights Offer Share prior to the Share Consolidation, full details of which will be communicated to Shareholders in due course, as the case may be; |
| “Roux Mining” | Roux Mining and Civils Proprietary Limited (in liquidation) (Registration number 2005/2003548/07), a private company duly registered and incorporated in accordance with the laws of South Africa and a wholly-owned Subsidiary of Rock-Ore (Boputhatswana) Proprietary Limited, and a Vendor; |

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| “Sale Shares” | 100 000 ordinary shares, which constitute 100% of the issued share capital of Langpan Mining Co, which shares are beneficially owned by and registered in the name of the Vendors in the relevant proportions as set out in Annexure 1 to this Circular; |
| “Scutella” | Scutella Ventures Limited (Company number 64252), a company incorporated and registered in accordance with Guernsey law and a wholly-owned Subsidiary of the Funder; |
| “Sendizza” | Sendizza Minerals Proprietary Limited (Registration number 2018/310913/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is 100% owned by Edward Webb Grobler, and a Vendor; |
| “SENS” | the Stock Exchange News Service of the JSE; |
| “Share Consolidation” | the consolidation of the authorised and issued ordinary share capital of the Company on a 1 000 to 1 basis as detailed in paragraph 7 of this Circular; |
| “Share Consolidation and MOI Amendment Resolution” | Special Resolution Number 4 set out in the Notice of General Meeting, which resolution is required to be approved by Shareholders in order to implement and give effect to the Share Consolidation; |
| “Share Consolidation LDT” | the last day to trade in Mantengu Shares prior to the implementation of the Share Consolidation in order to be recorded as a Shareholder by the Share Consolidation Record Date; |
| “Share Consolidation Record Date” | record date to determine those Shareholders whose Shares will be subject to the Share Consolidation; |
| “Share Purchase Agreement” | the share purchase agreement entered into between Mantengu and the Vendors on 21 April 2022 in terms of which the Proposed Acquisition is governed; |
| “Simeka” | Simeka Capital Holdings Proprietary Limited (Registration number 2006/017154/07), a private company duly registered and incorporated in accordance with the laws of South Africa, and a Vendor; |
| “Sitona” | Sitona Materials Handling and Logistics Proprietary Limited (Registration number 2015/091955/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Ramkum Proprietary Limited (13%), the Ramaite Brother Family Trust (49.7%), Educated Risk Investments 200 Proprietary Limited (13%), BEMP Investments Proprietary Limited (13%) and Laconinc Holdings Proprietary Limited (11.70%), and a Vendor; |
| “Siyembili” | Siyembili Consulting and Business Services Proprietary Limited (Registration number 2009/044357/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Angela Mashinini (50%) and Fezekile Mashinini (50%), and a Vendor; |
| “SL Tarr” | Susan Lynne Tarr, a Vendor; |
| “South Africa” | the Republic of South Africa; |
| “Special Resolution” | a resolution adopted by Shareholders with the support of at least 75% of the voting rights exercised on such resolution; |
| “Strate” | the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa and which company is a registered Central Securities Depository in terms of the Financial Markets Act; |
| “Subsidiary” | a subsidiary as defined in the Companies Act; |
| “Summa Investments” | Summa Investments Proprietary Limited (Registration number 2015/171781/07), a private company duly registered and incorporated in accordance with the laws of South Africa which is owned by Ian White (10%) and the White Family Trust (90%), and a Vendor; |
| “Surface Rights Lease” | the nine year, 364-day lease entered into between Langpan Mining Co and Estate Late Elsabe Hendrina Human, represented by Petrus Johannes Human in his capacity of the duly appointed executor of the Estate Late Elsabe |

Hendrina Human, as owner of the Langpan Farm, in relation to the surface rights of the Langpan Farm. Langpan Mining Co has the option to renew the Surface Rights Lease, which ends on 31 August 2028, for a further nine year, 364-day period on similar terms;

“Transactions”

collectively:

- the Proposed Acquisition;
- an Increase in Authorised Share Capital;
- the Share Consolidation; and
- proposed amendments to the Mantengu MOI;

“Transfer Secretaries”

Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa;

“TRP”

the Takeover Regulation Panel established in accordance with section 196 of the Companies Act;

“Uncertificated Securities Register”

the record of Dematerialised Shares administered and maintained by a CSDP and which forms part of the Register;

“VAT”

value added tax, levied in terms of the provisions of the Value-Added Tax Act, 1991 (Act 89 of 1991), as amended;

“Vendors”

the beneficial owners of the Sale Shares, which shares are registered in the names of such Langpan Mining Co shareholders in the relevant proportions as set out in **Annexure 1** to this Circular;

“VWAP”

volume weighted average price;

“Walstra”

Theresa Walstra, a Vendor; and

“Wilson”

Ashley Gerald Wilson, a Vendor.

Mantengu

Next Generation Mining

MANTENGU MINING LIMITED **(formerly Mine Restoration Investments Limited)**

Incorporated in the Republic of South Africa

(Registration number 1987/004821/06)

Share code: MTU ISIN: ZAE000302360

(“Mantengu” or “the Company”)

Directors

Executive

Mahlatsi Movundlela (Chief Executive Officer)

Thato Makgolane (Financial Director)

Non-executive

Michael Miller (Chairperson)

Vincent Madlela[^] (Lead Independent Director)

Jonas Tshikundamalema[^]

[^]Independent

CIRCULAR TO MANTENGU SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

Mantengu Shareholders are referred to the Announcement released on SENS on 22 April 2022 wherein Shareholders were advised of, *inter alia*,

- the proposed Related Party acquisition by Mantengu of a 100% shareholding in Langpan Mining Co from the Vendors for an aggregate purchase consideration of R550 million, which purchase consideration is to be settled through the issue by Mantengu of 137 500 000 000 Shares following the Increase in Authorised Share Capital;
- an increase in the authorised but unissued share capital of Mantengu;
- the proposed amendments to the Mantengu MOI;
- the intention of the Company, following the implementation of the Proposed Acquisition and the issue of the Consideration Shares, to provide existing Shareholders the opportunity to lessen the effect of the Proposed Acquisition and to propose a partially underwritten renounceable rights offer by Mantengu to its Shareholders in terms of which Shareholders will be entitled to subscribe for 150 000 000 Rights Offer Shares at a subscription price of 0.1 cent per Rights Offer Share in order to raise approximately R15 million. As the Rights Offer is subject to the successful implementation of the Proposed Acquisition, a circular setting out the full particulars relating to the Rights Offer will be distributed to Shareholders in due course; and
- the restructuring of Mantengu’s authorised and issued ordinary share capital by a consolidation of the ordinary share capital of the Company on a 1 000 to 1 basis, which Share Consolidation will be implemented following the conclusion of the Rights Offer.

The Proposed Acquisition is a first step towards Mantengu’s transformation from a cash shell into a mining house that promotes rural investment into sustainable mining projects on an inclusive and equitable basis.

In terms of paragraph 10.1(b)(ii) and paragraph 9.5(c) of the Listings Requirements, respectively, the Proposed Acquisition is classified as a Related Party transaction as certain of the Vendors are Directors and former Directors of the Company, and a reverse take-over as the percentage ratio in respect of the categorisation of the Proposed Acquisition is greater than 100%. Accordingly, the implementation of the

Proposed Acquisition is subject to, *inter alia*, the approval of the relevant Resolution by an independent majority of Shareholders voting in favour thereof at the General Meeting.

The Related Parties, Miller and Collins do not currently hold Shares in Mantengu.

Shareholders should note that the JSE will only permit Mantengu to retain its listing following the reverse take-over if the JSE is satisfied that Mantengu qualifies for a listing. The JSE has, through the approval of this Circular, confirmed that it is satisfied that Mantengu will qualify for a listing post the implementation of the Proposed Acquisition. Additionally, the JSE has confirmed that the lifting of the suspension of Mantengu's Shares is dependent upon the approval of the Proposed Acquisition by Shareholders at the General Meeting, the implementation of the Proposed Acquisition and full compliance with the Listings Requirements at such time. Accordingly, Shareholders will be advised in due course on SENS of the date of listing of and trading in Shares on the JSE.

The issue and allotment of the Consideration Shares will result in an increase of Mantengu's issued share capital by more than 50% which, in terms of paragraph 9.22 of the Listings Requirements, requires Revised Listing Particulars to be included in this Circular. Furthermore, as the issue of the Consideration Shares exceeds 30% of the voting power of all the Shares held by Shareholders immediately prior to such issue, a Special Resolution in terms of section 41(3) of the Companies Act is required to be approved by Shareholders to effect the Proposed Acquisition. A further Special Resolution in terms of section 41(1) of the Companies Act, is required to be approved by Shareholders to effect the issue of the Consideration Shares to those Vendors who fall under the ambit of section 41(1) of the Companies Act, being Directors of the Company.

Furthermore, in order to, *inter alia*, give effect to the Proposed Acquisition and subsequent Rights Offer, Mantengu is required to increase the authorised ordinary share capital of the Company, by way of an amendment to the Mantengu MOI, which is subject to, *inter alia*, the approval of a Special Resolution by Shareholders at the General Meeting.

The Rights Offer will be effected subsequent to the implementation of the Proposed Acquisition and, in order to mitigate the dilutionary effect of the Proposed Acquisition on Mantengu Shareholders, the Vendors have agreed not to take up or renounce any rights relating to the Consideration Shares. A circular containing details of the Rights Offer will be distributed to Shareholders in due course.

In order to reduce the number of Shares in issue following the issue of the Consideration Shares and the Rights Offer Shares, Mantengu will be restructuring its authorised and issued ordinary share capital by a consolidation of the ordinary share capital of the Company on a 1 000 to 1 basis. The requisite amendment to the Mantengu MOI is subject to, *inter alia*, the approval of a Special Resolution by Shareholders at the General Meeting.

The purpose of this Circular is to, *inter alia*:

- provide Mantengu Shareholders with:
 - o all relevant information (including the executive summary of the Competent Person's Report) relating to, *inter alia*, the Proposed Acquisition so as to enable Shareholders to make an informed decision as to how they wish to exercise their votes in respect of the relevant Resolutions;
 - o the Board's opinion and recommendation regarding the Proposed Acquisition having, *inter alia*, obtained and given due consideration to the Independent Expert Report;
 - o all relevant information pertaining to the Increase in Authorised Share Capital, the Share Consolidation and the related proposed amendments to the Mantengu MOI; and
 - o information pertaining to the Performance Share Plan for the approval and adoption thereof; and
- to give notice of the General Meeting in order for Mantengu Shareholders to consider and, if deemed fit, to approve (with or without modification) the Resolutions, including the Resolutions regarding the election of Messrs Mahlatsi Movundlela and Thato Makgolane as Directors following their appointments by the Board as independent non-executive Directors of the Company on 13 August 2020, and subsequent appointments by the Board as the new Chief Executive Officer and Financial Director of the Company, respectively, on 1 November 2020.

To obtain a full understanding of the details of the Proposed Acquisition, the Increase in Authorised Share Capital, the Share Consolidation and the related proposed amendments to the Mantengu MOI, the Rights Offer and the Performance Share Plan, this Circular should be read in its entirety.

2. NATURE OF THE BUSINESS OF MANTENGU

At the Last Practicable Date, Mantengu exists as a cash shell with no operations.

Given the Company's vision to transform into a "next generation" mining, mining services and energy conglomerate as set out in paragraph 3.1 below, the Board proposed a change of name of the Company to "**Mantengu Mining Limited**" ("**Name Change**"), which Name Change was approved by Shareholders at the annual general meeting of the Company held on 2 November 2021. The listing of Shares on the JSE under the new name "Mantengu Mining Limited" took place from commencement of trade on Tuesday, 14 December 2021.

As set out in this Circular, Mantengu is in the process of acquiring Langpan Mining Co, the owner of the Mine and the Plant and Infrastructure and the indirect owner of the Mining Right as a result of the acquisition by Langpan Mining Co of the entire issued share capital of Memor Mining.

As such, Mantengu will operate as a mining investment company pursuant to the implementation of the Proposed Acquisition.

3. PROSPECTS

3.1 MANTENGU

On 29 July 2016, the Board applied to the JSE for the voluntary suspension of Mantengu's Shares on the JSE with immediate effect following uncertainty as to the future prospects of the Company as a going concern and the inability of Mantengu to finalise its annual financial results for the year ended 28 February 2016. As at the Last Practicable Date, Mantengu has published all interim and annual financial results, up to and including the results for the year ended 28 February 2021 and the interim results for the six months ended 31 August 2021.

The forecast and estimate financial information of the Mantengu Group for the years ending 28 February 2022, 2023 and 2024, and the signed independent reporting accountant's reports on such financial information, are included as **Annexure 10** and **Annexures 11A and 11B** to this Circular, respectively.

Accordingly, the JSE has confirmed that it will lift the suspension of Mantengu's Shares subject to Mantengu Shareholders approving the Proposed Acquisition at the General Meeting and full compliance with the Listings Requirements at such time.

Mantengu's vision is to become South Africa's first "next generation" mining house which promotes rural investment into sustainable mining projects on a totally inclusive, participative and equitable basis. The investment methodology follows a compassionate capital approach whereby capital is made available for targeted rural investments. The access to funding unlocks community assets and promotes their optimal use so that local people and their communities can access and realise value from their assets on a sustainable and long-term basis. The policies, programs and strategies of all projects have been specifically designed to tackle job creation, broad-based wealth creation throughout all of the levels of the rural economy, skills transfer, rural infrastructure, food and energy security and biodiversity integrity.

The Proposed Acquisition represents a first step towards the realisation of this vision.

The Board is of the view that the Mantengu Group is well poised to expand both organically and acquisitively. Mantengu's short- to medium-term strategy will be to:

- stabilise Langpan Mining Co's existing operations to positive cash flow; and
- trigger the capital expansion program with Alliance Conveying Systems to optimise Operating Feed Capacity from the current 28ktpm to approximately 30ktpm of chrome concentrate and to include a specific circuit to optimise the PGM content in the tailings.

While a listing on the AltX provides a suitable regulatory platform for growth in the medium-term, the Board is currently reviewing whether it is optimal to stay on the AltX or, subject to meeting the Main Board listing criteria to move the Company's listing to the Main Board of the JSE.

3.2 Langpan Mining Co

Langpan Mining Co mines and processes chrome ore to produce chrome concentrate, with Platinum Group Metals ("PGMs") as a by-product. The company owns the Plant and Infrastructure and, indirectly through its wholly-owned Subsidiary, Memor Mining, the Mining Right in relation to the chrome and PGM mining and associated beneficiation operations, respectively, on Langpan Farm, which measures 1 050ha in extent and which is situated 17 kilometres South of Thabazimbi (Limpopo) on the Western limb of the Bushveld Complex. The Western limb of the Bushveld Complex is the largest layered igneous intrusion within the Earth's crust, situated mostly in Limpopo and stretching almost the extent of the province, containing some of the richest ore deposits on Earth.

3.2.1 Plant and Infrastructure

Langpan Mining Co, which acquired the Plant and Infrastructure in August 2020 from the liquidators and creditors of Memor Marketing, owns the Plant and Infrastructure necessary for its operations, and currently operates under the Surface Rights Lease. The Plant and Infrastructure washes chrome ore, as more fully described in paragraph 3.2.5 below.

3.2.2 Mining

Through its wholly-owned Subsidiary, Memor Mining, Langpan Mining Co indirectly controls the Mining Right. Memor Mining ceased its mining operations on Langpan Farm in 2016 to focus on obtaining the technical governance aspects of the Competent Person's Report to support the Proposed Transaction.

Mantengu management, together with Alliance Conveying Systems, has reviewed the geological reports and mine plan in respect of the previous Memor Mining operations and has concluded that, in their view, Memor Mining's mining operation was poorly executed, resulting in cash flow difficulties and, ultimately, a cessation of mining activities. The following factors appear to have contributed to the distress of the business:

- inadequate working capital to fund the required mine plan;
- the mine plan being sub-optimal;
- the contractor being incorrectly incentivised; and
- the initial overburden ore being excavated and incorrectly dumped over the ore resource.

Going forward, mining operations will be performed by a suitably experienced and skilled mining contractor, the appointment of which will be concluded once the mine plan has been finalised. A service level agreement will be entered into with the mining contractor, in terms of which the mining contractor will be responsible for overseeing the development of the approved mine plan as well as the day-to-day management of the mining operation. The mining contractor will be held accountable to the mine plan through the mining contractor being incentivised by ore tonnages moved and will be penalised for any shortfall. Payment terms to the mining contractor will be 30 days from invoice and will be charged on a per tonne mined basis. Langpan Mining Co's careful management of the mining operations will seek to ensure that the same technical issues that arose from the unsystematic approach adopted previously do not arise again. Alliance Conveying Systems has advised that, if mining is handled in a systematic way and in strict accordance with a pre-approved mine plan, the deleterious effects of the mining carried out by Memor Mining is likely to be profitably reversed.

3.2.3 Mining Right

The Mining Right was granted to Memor Mining by the DMRE on 16 November 2015, and executed and registered in favour of Memor Mining by the DMRE on 18 September 2018.

The requisite approval in terms of section 11 of the MPRDA for the change in ownership of Memor Mining, being the acquisition of all of the issued shares of Memor Mining by Langpan Mining Co, was granted by the Minister on 6 December 2021 (the “**Section 11 Consent**”). Subsequent to obtaining the Section 11 Consent, Langpan Mining Co owns 100% of the issued share capital of Memor Mining.

3.2.4 **Mining Agreement**

Mining operations have only been scheduled to commence around six months after the implementation of the Proposed Acquisition in order for Alliance Conveying Systems to prepare for the implementation of the mine plan and to execute the capital expansion program. Until that time, Langpan Mining Co (pursuant to the terms of the Mining Agreement) will continue to mine lower group chrome seams and has commenced with the long lead items contained in the capital expansion program. Given Langpan Mining Co’s capital expansion strategy, it will continue the existing arrangement in order to support the capital expansion strategy without being weighed down by any long-term contractual purchase obligations.

3.2.5 **Beneficiation**

The beneficiation plant (as part of the Plant and Infrastructure) has a production capacity of 17ktpm of chrome concentrate if operating at a 60% yield and processing only mining ore, based on the Operating Feed Capacity. Langpan Mining Co’s existing chrome wash plant was sporadically operational until 2019 where the chrome wash plant beneficiated chrome tailings procured from local tailings dumps, at an approximate yield of 20%, to produce approximately 3.5ktpm of chrome concentrate greater than 44%. At that point, the previous owners of the chrome wash plant put the plant into care and maintenance whilst trying to sell the chrome wash plant.

Tenova South Africa Proprietary Limited (“**Tenova**”), which is part of a global engineering consulting group, has estimated a replacement value of the Plant and Infrastructure of R85 million. Subsequent to the Tenova evaluation, Alliance Conveying Systems found it to be in good condition.

In the mining industry, “**beneficiation**” refers to any process that improves (benefits) the economic value of the ore by removing the commercially worthless materials, which results in a higher-grade product (“**concentrate**”) and a waste stream (“**tailings**”). Langpan Mining Co’s beneficiation process is simple and technically easy to execute. The beneficiation process is as follows:

In terms of the beneficiation process, the chrome ore is transported to the wash plant and tipped into the crusher. The chrome is crushed to 1 mm. From the crusher, the ore is transmitted through a sizer that reduces the size of the ore to less than 1 mm. This fine ore is then sent through a series of cyclones which concentrate the chrome content of the ore by exploiting the high density of chrome relative to the other minerals in the ore body. The tailings are discarded onto the tailings dams. The chrome concentrate is de-watered through a de-watering screen. This reduces the water in the final concentrate. It is expected that Langpan Mining Co will only be producing chrome concentrate in its initial phases of production. However, the current wash plant has the capability of also producing lumpy ore and foundry grade chrome and the mix of products going forward will be determined by the off-taker and market requirements.

Langpan Mining Co will have three sources of chrome ore for wash plant feed:

- its own mining activities;
- privately owned mine tailings; and
- ore sourced in from other mines in the vicinity.

It should be noted that Langpan Mining Co is able to meet its contractual obligations to Scutella, as set out in paragraph 3.2.7 below, without mining at Langpan as Langpan Mining Co has several options with which to capacitate operations and fulfil its contractual

obligations. As there are very few chrome wash plants in the greater Thabazimbi area, there is a significant amount of stranded chrome run of mine and tailings in the area. As such, Langpan Mining Co is able to acquire suitable, and at times less expensive feedstock, as and when required. This provides an additional feedstock buffer.

Bara Consulting and Alliance Conveying Systems are Langpan Mining Co's envisaged critical service providers for the life of mine. Bara Consulting and Alliance Conveying Systems will be responsible for the following:

- completion of all building and operational feasibility work;
- execution of the build and development to support Langpan Mining Co's capital expansion program;
- development of an appropriate mining plan, as well as the execution thereof with the mining contractor; and
- operation of the beneficiation process, with critical targets being set to maintain the contractual requirements of Scutella and optimisation of the surplus product.

Bara Consulting has performed all of the necessary pre-operational and mine work. Alliance Conveying Systems will enter into an Engineering, Procurement and Construction ("EPC") agreement with Langpan Mining Co to provide the build and limited operate services set out above. If Alliance Conveying Systems fails to perform according to the contracted parameters, Langpan Mining Co will be entitled to cancel the contract and claim damages as may be appropriate at that time. Given the standard services required, the management of Langpan Mining Co have had high-level discussions with alternate service providers that could take over from Alliance Conveying Systems if needs be.

Alliance Conveying Systems will, in terms of their EPC agreement, provide appropriate performance undertakings to ensure that the risk of non-delivery by Langpan Mining Co to Scutella is to the greatest extent mitigated.

3.2.6 Capital expansion

Langpan Mining Co's existing chrome wash plant has an approximate Operating Feed Capacity of 28ktpm of chrome ore, and an expected plant yield of 60%, resulting in production ability of 17ktpm of chrome concentrate.

The wash plant requires some refurbishment to optimise recoveries, lower costs and upgrade the PGM (6E) content in order to ensure the long-term production capacity. Langpan Mining Co has identified the following capital expansion projects for execution in the first 12 months of operation:

- R55 million to refurbish and upgrade the existing chrome wash plant for the processing of Langpan Mining Co's run of mine. This plant is planned to be technically and commercially more efficient with a target production capacity of 30ktpm and target output level of up to 18.9ktpm at an expected yield of 63%. The new technology in the plant is further expected to upgrade the PGM (6E) contained in chrome tailings up to 7%. The commissioning of the new wash plant is expected to commence approximately six months after the completion of the Proposed Acquisition.
- R12 million to construct:
 - o a power line (of approximately 2.2 kilometres in length) from the transmission line from the R510 to Langpan Mining Co's operations. The construction of the power line has an expected duration of three months and is anticipated to be completed within the first 12 months of operations; and
 - o a 400 metre water pipeline to increase the water feed to Langpan Mining Co's operations as well as a 4 million litre tailings storage facility. The construction of the water pipeline has an expected duration of three months and will be completed before July 2022.

It is expected that, after eight months of operations, all construction work for the processing of ore will be completed.

3.2.7 Marketing

Langpan Mining Co has entered into a five-year exclusive offtake arrangement with Scutella. Scutella is a multifaceted investment holdings company with interests in the energy, mining and financial services industries. Scutella has entered into the Offtake Agreements to grow its mining investment portfolio through the trading of chrome and PGM concentrates. Scutella is an independent company and is not a related party to Mantengu and or any of Mantengu's Directors.

In terms of the Offtake Agreements, Langpan Mining Co will be obliged to deliver 552 000 tons of 42%-44% chrome concentrate to Scutella throughout the five-year offtake period, with first delivery to Scutella due to take place in September 2022. The contracted tonnages throughout the offtake period are 72ktpm, 120ktpm, 120ktpm, 120ktpm, and 120ktpm through the years one to five, respectively.

3.2.8 Scutella and the advance purchase contract

Langpan Mining Co's total production capacity is expected to approximate 19ktpm from month eight running through the life of mine. The contracted offtake tonnages increase from 3ktpm from the first quarter, to 5ktpm for the second quarter, to 7ktpm for the third quarter, to 9ktpm for the final quarter, over the first year and 10ktpm for the remainder of the five-year period. The low but accelerating offtake in the first year accommodates Langpan Mining Co's capital expansion program, as described in paragraph 3.2.6 above, and thus tracks Langpan Mining Co's anticipated production to total production capacity. The relationship between production capacity versus offtake requirements is expected to result in a monthly surplus tonnage of approximately 9ktpm (Upgrade Plant: 19ktpm (capacity) – 10ktpm (contract)).

Langpan Mining Co has entered into advance purchase contracts ("**APC**") whereby it has sold, in advance and on a non-recourse basis, to the Funder the invoices to be raised between Scutella and Langpan Mining Co for the delivery by Langpan Mining Co of 192kt of chrome concentrate in the first two years of production ("**APC Invoices**") ("**APC Period**"). Accordingly, Langpan Mining Co will reflect revenue received in advance as a liability on its balance sheet, recognising revenue in respect of the APC only as the requisite product is delivered. The anticipated monthly surplus, as noted above, will be paid for five business days after the end user has paid for the product, as will amounts beyond the APC Period. It is anticipated that end users will pay on a 90:10 Free On Bard basis and thus the first payment is expected within 20 days Free On Truck.

Throughout 2020 and 2021, the COVID-19 pandemic created significant uncertainty in both the commodity and capital markets which as a result cast concern around the implementation of the APC model. Given the uncertainty, Langpan Mining Co, in consultation with the APC stakeholders (being Asiza Limited (Funder), Scutella (Off-taker) and Langpan Mining Co (Mine)), entered into the sale and purchase agreement and Creditor Compromise Agreement with the Memor Mining Shareholders and Memor Mining Creditors, respectively, to protect the Proposed Acquisition from the adverse market effects then prevailing. Although the APC long stop dates have been extended to 31 December 2022, the Mantengu and Langpan Mining Co boards have pursued alternative funding options to underpin the Proposed Acquisition and to minimise any further global or local issues caused by the pandemic. To this effect, the following has been achieved:

- Langpan Mining Co signed a term sheet on 24 December 2021 with an independent off-taker, RWE Supply & Trading GMBH, for a prepayment facility of \$3.5 million for the delivery of 240,000MT of chrome concentrate. Langpan Mining Co has subsequently executed the conditional resultant contracts on 12 April 2022; and
- Langpan Mining Co signed a term sheet on 24 December 2021 with an institutional funder, the Industrial Development Corporation of South Africa Limited ("**IDC**"), for a debt facility of R55 million. Following further negotiations with the IDC, it was agreed

that the IDC would advance R41 million to Langpan Mining Co. As such, the company is currently in the final stages of negotiating the terms of the proposed conditional debt facility and conditions under which the IDC will lend and advance the funds (R41 million).

The funding agreements will be utilised to support the capital expansion program and working capital requirements of the mining operation in the unlikely event that the Scutella contracts do not reach financial close as a result of the risk from other extraneous macro issues that have since occurred, including the July 2021 riots, domestic political uncertainty and the Russian invasion into the Ukraine. Given that the extent of the risk cannot be quantified the boards of Mantengu, Langpan Mining Co and Scutella agreed that Langpan Mining Co could pursue alternative debt funding arrangements to ensure that the business will be fully capitalised.

3.2.9 Operations of Langpan Mining Co

Whilst Alliance Conveying Systems is responsible for the feasibility and build functions of the Langpan Mining Co operations, ultimate operational responsibility will lie with the management team of Langpan Mining Co. After the implementation of the Proposed Acquisition, the board of directors of Langpan Mining Co is expected to be comprised as follows:

- Mahlatsi Movundlela;
- Thato Makgolane;
- the General Manager of Langpan Mining Co (as referred to below) immediately upon appointment; and
- two independent non-executive directors, who are yet to be identified and appointed in accordance with the company's formal processes.

Langpan Mining Co intends to further appoint a mining engineer to perform the role of General Manager. Further to this, any management transition risk has been further mitigated by the effluxion of time whereby management has obtained and or achieved the desired operational knowledge and skills originally catered for in the Memor management consultancy agreements.

3.2.10 Industry overview

3.2.10.1 Overview of the Chrome industry

Chromium is an irreplaceable ingredient in all grades of stainless steel. It is the ingredient that renders stainless steel "stainless". It is present in alloys in amounts from 12% to about 35% Chromium, with generally the more Chromium, the more corrosion resistant. It is also a key ingredient in high end superalloys used for turbines and jet engines. Chromite ores are the only source of chromium. The majority of chromite ores are processed into an intermediate product called high carbon ferro-chrome, or charge chrome, an alloy containing >50% Chromium, about 6-8% Carbon, varying amounts of Silicon (0-4%, depending on the process used), with the balance Iron.

The production of stainless and low alloy steels containing chromium has rapidly expanded, particularly in Asia. The source of the chromium in stainless steel is partly from the recycling of scrap but this is limited by the availability of such materials, particularly in developing countries. Chromium in stainless steel is not open to substitution by other metals. It is essential for the corrosion and heat resistance of the material. The shortfall in the chromium additions required during the steelmaking process is met by the addition of alloys of chromium and iron, collectively known as "ferrochrome". These alloys are produced by the smelting of chromite ores, using solid carbonaceous reductants in a Submerged Electric Arc Furnace.

3.2.10.2 Demand side factors

South Africa is endowed with circa 82% of the world's Chromium reserves (including UG2, or circa 72% excluding UG2). South Africa remains the major supplier of Chrome to China, comprising approximately 75% of global supply in 2018. This approximated 3Mt of ore exports to China. The long-term trend towards global stainless steel production growth of approximately 4-5% per annum, resulting in the South African Chrome ore production demand projected to require additional supply of approximately 2.5Mtpa by 2021.

4. THE PROPOSED ACQUISITION

4.1 Nature of business of Langpan Mining Co

Langpan Mining Co mines and processes chrome ore to produce chrome concentrate, with PGMs as a by-product. Langpan Mining Co owns the Plant and Infrastructure necessary for its operations (currently operating under the Surface Rights Lease) and indirectly through Memor Mining, the Mining Right in relation to the chrome and PGM mining and associated beneficiation operations, respectively, on Langpan Farm. The Plant and Infrastructure, and the Mining Right, are collectively referred to as the "**Mining Assets**". Langpan Mining Co has previously mined the high-grade chrome seams in order to sell high grade, unprocessed chrome ore to the market.

Langpan Mining Co concluded the original supply agreements on 8 October 2019 with Scutella in relation to the sale of chrome concentrate for a five-year period, including a forward sale of chrome concentrate for a two-year period ("**the Forward Sale**"). The long stop dates of the supply agreements have been extended to 31 December 2022. Langpan Mining Co has further entered into a series of inter-related financing agreements the effect of which is to immediately monetise the Forward Sale and a portion of these proceeds will be used for the refurbishment of the existing wash plant and to settle the purchase consideration in relation to the acquisition by Langpan Mining Co of Memor Mining and, indirectly, the Mining Right.

4.2 The rationale for the Proposed Acquisition

Mantengu's vision is to transform into a next generation mining, mining services and energy conglomerate that intends on disrupting the mining sector by:

- Investing in people by promoting a radical transformation mandate specifically designed to tackle broad-based wealth creation, job creation, skills transfer, rural infrastructure and biodiversity integrity whilst achieving optimal returns, on a quantitative and qualitative basis, for all stakeholders;
- Deploying a world first funding model that will unlock capital, commodity and energy markets to smaller black-owned mining, mining services and energy companies;
- Providing an aggregation platform underpinning broad based empowered access to the capital markets;
- Investing in a portfolio of rare and strategic minerals;
- Investing in mining related services aimed at supporting the mining portfolio; and
- Ensuring investments are geared towards clean energy and sustainable mining practices.

Mantengu's acquisition of Langpan Mining Co is its first step towards its transformation into a company that promotes rural investment into sustainable mining projects on an inclusive and equitable basis. The Proposed Acquisition will enable Mantengu to transform from a cash shell and position itself to achieve its rural investment mandate.

4.3 Purchase Consideration

4.3.1 The aggregate consideration payable by Mantengu to the Vendors for the Sale Shares is an amount of R550 million.

4.3.2 On the third business day following the Effective Date (“**Closing Date**”), Mantengu shall, in full and final settlement of the Purchase Consideration, issue the Consideration Shares to the Vendors in the proportions as set out in **Annexure 1** to this Circular.

4.4 Conditions Precedent and Effective Date

The Proposed Acquisition is subject to the fulfilment or waiver, as the case may be, of the following outstanding conditions on or before the Effective Date:

- 4.4.1 written confirmation from the JSE that the suspension of the listing of Mantengu Shares on the AltX would be lifted upon approval of the Proposed Acquisition by Shareholders at the General Meeting;
- 4.4.2 the approval of the Proposed Acquisition by the requisite majority of independent Mantengu Shareholders by way of an Ordinary Resolution;
- 4.4.3 Mantengu having obtained the necessary Shareholder approval required in terms of sections 41(1) and 41(3) of the Companies Act, authorising the issue of the Consideration Shares and the Rights Offer Shares, by way of Special Resolution at the General Meeting;
- 4.4.4 Mantengu having obtained the necessary Shareholder approval required in terms of section 16 of the Companies Act, to amend Mantengu’s MOI pursuant to the Increase in Authorised Share Capital and the Share Consolidation, by way of Special Resolution at the General Meeting, and the filing of the amended MOI with CIPC;
- 4.4.5 to the extent applicable, the shareholders of Amolo Holdings, Andru, BLM Global Partners, CCAAC Investments, Disruption Capital, Ginger Cat Holdings, Gravy Holdings, Its Really Me, Kianalily, LWS Family Office, Putisolve, Roux Mining, Sendizza, Simeka, Sitona, Siyembili and Summa Investments having approved entry into and implementation of the transactions contemplated under the Sale Purchase Agreement in accordance with sections 112 and 115 of the Companies Act, and each Vendor having waived the application to the Proposed Acquisition of Parts B and C of Chapter 5 of the Companies Act and the Takeover Regulations; and
- 4.4.6 Mantengu obtaining the requisite regulatory approvals or, where applicable, exemptions required to conclude the transactions provided for in the Share Purchase Agreement, namely TRP and Exchange Control Regulations approval.

If the Conditions Precedent are not fulfilled or waived, as the case may be, prior to the Effective Date, the Share Purchase Agreement shall terminate and the parties shall be restored as closely as possible to the positions in which they would have been had such agreement not have been entered into.

4.5 Related Party implications

As Messrs Miller and Collins are current and former Directors of Mantengu, respectively, and are indirectly shareholders in Langan Mining Co, they are considered to be Related Parties in terms of paragraph 10.1(b)(ii) of the Listings Requirements.

Accordingly, the Proposed Acquisition - which constitutes a ‘Related Party Transaction’ in terms of the Listings Requirements – is subject to approval by Shareholders present or represented in General Meeting and voting (excluding the Related Party/ies and their associates). Furthermore, in terms of paragraph 10.4(f) of the Listings Requirements, Mantengu is required to obtain an opinion from an independent expert on the Proposed Acquisition (which Independent Expert Report is included as **Annexure 4** to this Circular), and the Board is required to include a statement in this Circular confirming whether the Proposed Acquisition is fair to Shareholders. The statement of the Board is included in paragraph 21 below.

The Related Party/ies, Messrs Miller and Collins do not hold Shares in Mantengu.

4.6 Warranties

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

4.7 Other significant terms

Subject to the implementation of the Proposed Acquisition, Mantengu will hold 100% of the issued shares in Langpan Mining Co, making it a wholly-owned Subsidiary of Mantengu. In accordance with paragraph 10.21 of Schedule 10 of the Listings Requirements, Mantengu will ensure that no provisions contained in the memorandum of incorporation of Langpan Mining Co will frustrate the Company in any way from compliance with its obligations in terms of the Listings Requirements, nor will it relieve the Company from compliance with the Listings Requirements.

Furthermore, subject to the implementation of the Proposed Acquisition, and the Vendors, as shareholders of Langpan Mining Co, having approved the appointment of Mantengu's nominees as directors of Langpan Mining Co, Mantengu will appoint two directors, namely Mahlatsi Movundlela and Thato Makgolane, to the board of directors of Langpan Mining Co.

4.8 Irrevocable letters of undertaking

For purposes of the General Meeting, the Company has received irrevocable letters of undertaking from Shareholders holding or representing a total of 190 274 703 Shares, equivalent to 22.1% of all Shares eligible for voting (excluding Related Parties) at the General Meeting, or any adjournment thereof. All such Shareholders or representatives have indicated that they will vote in favour or recommend to their clients to vote in favour of the Transactions, to the extent that they are permitted to do so under the Listings Requirements.

The table below sets out the undertakings received:

| Shareholder | Number of Shares | Percentage shareholding* (%) |
|----------------------------------------------|-------------------------|-------------------------------------|
| Gamsy Family Trust | 150 025 423 | 17.4 |
| Growth Equities Proprietary Limited | 20 000 000 | 2.3 |
| Parkview Trust | 9 239 280 | 1.1 |
| Jennifer Geyer | 9 610 000 | 1.1 |
| Christian Borge Roed | 2 508 000 | 0.3 |
| Trinity Asset Management Proprietary Limited | 1 400 000 | 0.2 |
| | 192 782 703 | 22.4 |

**Percentage shareholding is calculated as a percentage of the total issued share capital of Mantengu as at the Last Practicable Date.*

4.9 Exchange Control Regulations and approval

Shareholders note that the required exchange control approval in respect of the Proposed Acquisition has been obtained from the South African Reserve Bank.

5. INCREASE IN AUTHORISED SHARE CAPITAL

- 5.1.1 In order to create sufficient authorised share capital to provide for the issue of the Consideration Shares, the Rights Offer, and to provide the Company with flexibility for any future Share issuances, Mantengu is required to increase the authorised share capital of the Company.
- 5.1.2 It is proposed that, subject to the passing of the Increase in Authorised Share Capital Resolution and MOI Amendment Resolution at the General Meeting and the filing thereof with CIPC, the authorised share capital of the Company is increased from 1 000 000 000 Mantengu Shares to 155 000 000 000 Mantengu Shares, by the creation of a further 154 000 000 000 Mantengu Shares.
- 5.1.3 Details regarding Mantengu's authorised and issued share capital before and after the proposed Increase in Authorised Share Capital are set out in paragraph 9.1 of this Circular.

- 5.1.4 Details of the proposed amendments to the MOI relating to the Increase in Authorised Share Capital are set out in **Annexure 13** of this Circular.
- 5.1.5 As referred to in paragraph 5.1.2 above, Shareholders will be requested to approve Special Resolution Number 1, as set out in the Notice of General Meeting, to give effect to the Increase in Authorised Share Capital MOI and MOI Amendment Resolution.

6. THE RIGHTS OFFER

- 6.1.1 As set out in paragraph 1 above, Mantengu intends to raise approximately R15 million from its Shareholders by way of the Rights Offer.
- 6.1.2 As detailed in paragraph 5 above, in order to have sufficient authorised share capital to provide for, *inter alia*, the Rights Offer, Mantengu is required to increase the authorised share capital of the Company, and to reflect such increased authorised share capital in the Mantengu MOI, by way of an amendment to the Mantengu MOI.
- 6.1.3 As the Rights Offer is subject to the successful implementation of the Proposed Acquisition, a circular setting out the full particulars relating to the Rights Offer will be distributed to Shareholders in due course.

7. SHARE CONSOLIDATION

7.1 Introduction

- 7.1.1 It is proposed that, subject to the passing of the Share Consolidation Resolution and MOI Amendment Resolution at the General Meeting and the filing thereof with CIPC, the authorised and issued share capital of Mantengu will be consolidated on a 1 000 to 1 basis post the implementation of the Rights Offer.
- 7.1.2 As a result of the Share Consolidation, and post the (i) successful completion of the Proposed Acquisition (including the issue of the 137 500 000 000 Consideration Shares to the Vendors); and (ii) issue of 150 000 000 Rights Offer Shares, Mantengu's ordinary share capital will be consolidated from an authorised share capital of 155 000 000 000 ordinary shares of no par value to 155 000 000 ordinary shares of no par value and an issued share capital of 138 513 053 100 ordinary shares of no par value to 138 513 053 ordinary shares of no par value (ignoring rounding down to fractions on a per Shareholder basis). It should be noted that the proposed Share Consolidation will not dilute a Shareholder's economic interest in Mantengu.
- 7.1.3 Details regarding Mantengu's authorised and issued share capital before and after the proposed Share Consolidation are set out in paragraph 9.1 of this Circular.
- 7.1.4 Details of the proposed amendments to the MOI relating to the Share Consolidation are set out in **Annexure 13** of this Circular.
- 7.1.5 In implementing the Share Consolidation, the Company is required by the JSE to apply the rounding principle, that is, a Shareholder becoming entitled to a fraction of a Share arising from the Share Consolidation will be rounded down to the nearest whole number, resulting in allocations of whole Shares and a cash payment for the fraction.
- 7.1.6 The value of such cash payment will be the VWAP discounted by 10% on the day immediately following the Share Consolidation LDT, which date, together with the effective date of the Share Consolidation, will be announced on SENS following the implementation of the Rights Offer.
- 7.1.7 A table of entitlement in respect of the Share Consolidation has been included as **Annexure 15** to this Circular.
- 7.1.8 As referred to in paragraph 7.1.1 above, Shareholders will be requested to approve Special Resolution Number 4 as set out in the Notice of General Meeting, to give effect to the Share Consolidation and MOI Amendment Resolution.

7.1.9 Mantengu Shareholders are referred to the announcement released on SENS on 29 July 2016 wherein Shareholders were advised, *inter alia*, that the Board had applied to the JSE for the voluntary suspension of Mantengu's Shares on the JSE with immediate effect. The last trade, prior to the voluntary suspension of Mantengu Shares, occurred on 26 July 2016 at R0.03. Theoretically, the Share Consolidation would increase Mantengu's market price, earnings and net asset value per Share by the consolidation factor of 1 000. Consequently, Mantengu's theoretical closing share price after the Share Consolidation (assuming that the suspension of the listing of Mantengu Shares on the AltX is lifted) would be R30 per Share. Accordingly, as a consequence of the Share Consolidation, Mantengu's theoretical aggregate market capitalisation should not change.

7.2 Listing on the JSE

Subject to the lifting of the suspension of Mantengu's Shares (which is dependent upon approval of the Proposed Acquisition by Shareholders at the General Meeting, the implementation of the Proposed Acquisition and full compliance with the Listings Requirements at such time), the passing of the Share Consolidation and MOI Amendment Resolution and the filing of the required notice of amendment of the MOI with CIPC post the implementation of the Rights Offer, application will be made to the JSE to amend the listing of Mantengu's share capital to make provision for the Share Consolidation of 1 000 existing Shares into 1 consolidated ordinary no par value share.

7.3 Share Consolidation LDT and Share Consolidation Record Date

The record date for purposes of determining those Shareholders whose Shares will be subject to the Share Consolidation, and the last day to trade in Shares on the JSE in order to be recorded as a Shareholder by such record date, together with the effective date of the Share Consolidation and new ISIN, will be announced on SENS post the implementation of the Rights Offer.

7.4 Procedures to be followed by Shareholders in respect of the Share Consolidation

Should the Share Consolidation be approved and implemented:

7.4.1 Dematerialised Shareholders

7.4.1.1 Dematerialised Shareholders need not take any action as their shareholding will be automatically updated by their CSDP or broker.

7.4.2 Certificated Shareholders

7.4.2.1 Currently, there are no Certificated Shareholders on the Register. In the event that any Shareholders rematerialise their Mantengu Shares prior to the Share Consolidation LDT, such Shareholders will receive the Mantengu Shares reflecting the Share Consolidation to which they are entitled pursuant to the Share Consolidation in dematerialised form.

7.5 Exchange Control Regulations

In the case of Certificated Shareholders whose registered addresses in the Company's share Register in South Africa are outside the Common Monetary Area, or where the relevant certificates are restrictively endorsed in terms of the South African Exchange Control Regulations, the following will apply:

7.5.1 *Non-residents who are emigrants from the Common Monetary Area*

The replacement share certificate reflecting the Share Consolidation will be restrictively endorsed in terms of the South African Exchange Control Regulations and will be sent to the Shareholders' authorised dealer in foreign exchange in South Africa controlling their blocked assets.

7.5.2 *All other non-residents*

The replacement share certificate reflecting the Share Consolidation will be restrictively endorsed "non-resident" in terms of the South African Exchange Control Regulations.

Shareholders, who are Foreign Shareholders must satisfy themselves as to the full observance of the Laws of any relevant jurisdiction, including (without limitation) obtaining any requisite Governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Foreign Shareholders should consult their professional advisors immediately.

8. PERFORMANCE SHARE PLAN

- 8.1.1 It is the intention of the Board to obtain approval from Shareholders for the adoption of the Mantengu Performance Share Plan, the purpose of which is to incentivise, motivate and retain the right calibre of employees by providing participants thereof with the opportunity to share in the success of the Company and to provide alignment between their interests and those of Shareholders of the Company.
- 8.1.2 The Performance Share Plan will be available for inspection from the date of distribution of this Circular up to and including the date of the General Meeting as detailed in paragraph 26 below.
- 8.1.3 The salient features of the Performance Share Plan are set out in **Annexure 17** to this Circular.
- 8.1.4 The Directors are of the opinion that the adoption of the Performance Share Plan, which has been reviewed and approved by the JSE, will be beneficial to Mantengu and its Shareholders and recommend that Shareholders vote in favour thereof at the General Meeting.
- 8.1.5 In terms of the Listings Requirements, a 75% (seventy-five percent) majority of the votes cast by Shareholders present or represented by proxy and entitled to vote at the General Meeting must be cast in favour of Ordinary Resolution Number 2 included in the Notice of General Meeting for it to be approved.
- 8.1.6 It must be noted that Shares in the Company held by any trust or share scheme of the Company or by any Subsidiary of the Company will not have their votes taken into account for the purposes of resolutions proposed in terms of the Listings Requirements.

9. SHARE CAPITAL

9.1 Authorised and issued share capital

- 9.1.1 The authorised and issued share capital of Mantengu as at the Last Practicable Date is set out in the table below.

| | |
|--------------------------------------------|--------------|
| Authorised share capital | R'000 |
| 1 000 000 000 no par value ordinary shares | 98 511 |
| Issued share capital | |
| 863 053 100 no par value ordinary shares | 85 020 |

Treasury shares: Nil.

- 9.1.2 Following the approval of the Increase in Authorised Share Capital and the issue of the Consideration Shares, the authorised and issued share capital of Mantengu will be as follows:

| | |
|----------------------------------------------|--------------|
| Authorised share capital | R'000 |
| 155 000 000 000 no par value ordinary shares | 711 375 |
| Issued share capital | |
| 138 363 053 100 no par value ordinary shares | 635 020 |

Treasury shares: Nil.

- 9.1.3 Following the issue of the Rights Offer Shares¹, the authorised and issued share capital of Mantengu will be as follows:

| | |
|----------------------------------------------|--------------|
| Authorised share capital | R'000 |
| 155 000 000 000 no par value ordinary shares | 728 180 |

| | |
|-----------------------------------------------------------|---------|
| Issued share capital | |
| 138 513 053 100 ¹ no par value ordinary shares | 650 020 |

Treasury shares: Nil.

¹Assuming that the Rights Offer is fully subscribed.

- 9.1.4 Following the Share Consolidation¹, the authorised and issued share capital of Mantengu will be as follows:

| | |
|-------------------------------------------------------|--------------|
| Authorised share capital | R'000 |
| 155 000 000 no par value ordinary shares | 728 180 |
| Issued share capital | |
| 138 513 053 ² no par value ordinary shares | 650 020 |

Treasury shares: Nil.

¹To be effected post the implementation of the Rights Offer.

²Assuming that the Rights Offer is fully subscribed.

9.2 Authority to issue Shares

- 9.2.1 Section 41(3) of the Companies Act requires that shareholders approve, by way of special resolution, an issue of shares, if the voting power of the class of shares that are issued as a result of the transaction will be equal to or exceed 30% of the voting power of all the shares of that class held by shareholders immediately before the transaction.
- 9.2.2 Accordingly, as set out in Special Resolution Number 3 included in the Notice of General Meeting attached to and forming part of this Circular, Shareholders are required to approve the issue of the Consideration Shares as the voting power of all the Shares held by the Shareholders immediately before the issue of the Consideration Shares pursuant to the Proposed Acquisition will be exceeded by 30% as a result of the issue of the Consideration Shares.
- 9.2.3 Section 41(1) of the Companies Act requires that shareholders approve, by way of special resolution, an issue of shares, if the shares are issued to a:
- director, future director, prescribed officer, or future prescribed officer of the company;
 - person related or inter-related to the company, or to a director or prescribed officer of the company; or
 - nominee of a person contemplated in paragraph (a) or (b) above.
- 9.2.4 Accordingly, as set out in Special Resolution Number 2 included in the Notice of General Meeting attached to and forming part of this Circular, Shareholders are required to approve, to the extent required in terms of section 41(1) of the Companies Act, the issue of such number of Consideration Shares to those Vendors falling within the ambit of section 41(1) of the Companies Act, being Disruption Capital, due to Miller being a Director of the Company.

9.3 Provisions of the Mantengu MOI pertaining to share capital

- 9.3.1 The relevant current provisions of Mantengu's MOI pertaining to share capital are set out in **Annexure 14** to this Circular.
- 9.3.2 Subsequent to the approval by Shareholders of the Increase in Authorised Share Capital and MOI Amendment and the Share Consolidation and MOI Amendment contemplated in paragraphs 5 and 7 above, respectively, Mantengu's MOI will be amended as set out in **Annexure 13** to this Circular.
- 9.3.3 If approved by Shareholders:
- 9.3.3.1 the Increase in Authorised Share Capital will become effective on the date on which the required notice of amendment in respect of the corresponding amendments to

Mantengu's MOI is filed with CIPC, as contemplated in section 16(9) of the Companies Act, which date is expected to be Monday, 1 August 2022; and

9.3.3.2 the Share Consolidation will become effective on the date on which the required notice of amendment in respect of the corresponding amendments to Mantengu's MOI is filed with CIPC, as contemplated in section 16(9) of the Companies Act, which date of filing is expected to take place shortly after the completion of the Rights Offer.

9.4 Share capital, issues and repurchase of Shares

9.4.1 Consolidations and sub-divisions

Save for the Share Consolidation contemplated in this Circular, there have been no consolidations or sub-division of Shares during the past three years.

9.4.2 Issue of Shares

There have been no issues of Shares by Mantengu during the past three years.

9.4.3 Repurchases of Shares

There have been no repurchases of Shares by Mantengu during the past three years.

9.5 Other listings

Mantengu does not have any Shares listed on any exchange other than the JSE.

9.6 Mantengu Share information

Mantengu Shareholders are referred to the announcement released on SENS on 29 July 2016 wherein Shareholders were advised, *inter alia*, that the Board had applied to the JSE for the voluntary suspension of Mantengu's Shares on the JSE with immediate effect. The price and trading history of the Mantengu Shares on the JSE for the last 12 months is not available due to the aforementioned voluntary suspension. The last trade, prior to the voluntary suspension of Mantengu Shares, occurred on 26 July 2016 at R0.03.

As set out in paragraph 1 above, the JSE has confirmed that the lifting of the suspension of Mantengu's Shares is dependent upon the approval of the Proposed Acquisition by Shareholders at the General Meeting, the implementation thereof and full compliance with the Listings Requirements at such time.

10. PRO FORMA FINANCIAL EFFECTS

The *pro forma* financial effects of the Proposed Acquisition and the independent reporting accountant's report thereon are set out in **Annexure 2** and **Annexure 3** of this Circular, respectively.

11. MAJOR SHAREHOLDERS

11.1 In so far as is known by the Directors, those Shareholders (excluding the Directors who, as detailed in paragraph 12.2 below, do not hold any interests) who, as at the Last Practicable Date, directly or indirectly, are beneficially interested in 5% or more of the issued share capital of Mantengu, are set out below:

| Shareholder | Number of Shares | | Percentage shareholding* (%) |
|----------------------------------|---------------------|-----------------------|------------------------------|
| | Direct shareholding | Indirect shareholding | |
| Armada Capital Plc | 275 898 665 | - | 31.97 |
| Gamsy Family Trust | 162 912 103 | - | 18.88 |
| Stellar Capital Partners Limited | 124 113 320 | - | 14.38 |
| Total | 562 924 088 | - | 65.23 |

*Percentage shareholding is calculated as a percentage of the total issued share capital of Mantengu as at the Last Practicable Date.

- 11.2 Following the issue of the Consideration Shares, the beneficial interests of the Shareholders detailed in paragraph 11.1 above and certain Vendors who will be beneficially interested in more than 5% of the issued share capital of Mantengu, will be as follows:

| Shareholder | Number of Shares | | Percentage shareholding * (%) |
|-----------------------------------|------------------------|-----------------------|----------------------------------|
| | Direct shareholding | Indirect shareholding | |
| Gamsy Family Trust | 25 929 037 103 | | 18.74 |
| Disruption Capital ¹ | 22 133 375 000 | - | 16.00 |
| Collins Family Trust ² | 16 876 750 000 | - | 12.20 |
| Kianalily | 12 632 125 000 | - | 9.13 |
| Its Really Me | 10 819 875 000 | - | 7.82 |
| SL Tarr | 7 286 125 000 | - | 5.27 |
| Pinotage Trustees | 7 286 125 000 | - | 5.27 |
| Total | 102 963 412 103 | - | 74.42 |

Notes:

1. Miller owns 100% of Disruption Capital, a Vendor, that will receive 22 133 375 000 Consideration Shares pursuant to the Proposed Acquisition.
2. Collins is a trustee and beneficiary of the Collins Family Trust, a Vendor, that will receive 16 876 750 000 Consideration Shares pursuant to the Proposed Acquisition.

- 11.3 As at the Last Practicable Date Mantengu does not have a controlling Shareholder.
- 11.4 There will be no controlling Shareholder as a result of the implementation of the Proposed Acquisition.

12. DIRECTORS

12.1 Directors' interests in securities

As at the Last Practicable Date, none of the Directors (or their associates), held Shares in Mantengu.

12.2 Former Directors

None of the Directors who resigned during the 18 months prior to the Last Practicable Date held, directly or indirectly, any Mantengu Shares.

12.3 Directors' interests after the Proposed Acquisition

After the issue of the Consideration Shares, the Directors (and former Directors) will hold, directly or indirectly, beneficial interest in 39 010 125 000 Shares in Mantengu, representing approximately 28.20% of the total issued share capital of Mantengu as follows:

| Director | Beneficial | | Total Shares | Total % |
|-------------------------------|------------|----------------|----------------|---------|
| | Direct | Indirect | | |
| Executive Director | | | | |
| Mahlatsi Movundlela | - | - | - | - |
| Thato Makgolane | - | - | - | - |
| Non-executive Director | | | | |
| Michael Miller ¹ | - | 22 133 375 000 | 22 133 375 000 | 16.00 |

| | | | | |
|-------------------------------|---|-----------------------|-----------------------|--------------|
| Vincent Madlela | - | - | - | - |
| Alistair Collins ² | - | 16 876 750 000 | 16 876 750 000 | 12.20 |
| Jonas Tshikundamalema | - | - | - | - |
| | - | 39 010 125 000 | 39 010 125 000 | 28.20 |

Notes:

1. Miller owns 100% of Disruption Capital, a Vendor, that will receive 22 133 375 000 Consideration Shares pursuant to the Proposed Acquisition.
2. Collins is a trustee and beneficiary of the Collins Family Trust, a Vendor, that will receive 16 876 750 000 Consideration Shares pursuant to the Proposed Acquisition.

12.4 Directors' emoluments

12.4.1 Shareholders are referred to Note 21 of the audited annual financial statements of the Company for the year ended 28 February 2021, which can be found on the Company's website as detailed in paragraph 25 below.

There will be no change in the remuneration of any of the Directors as a consequence of the Transactions.

12.4.2 Save for the emoluments, consulting fees and Board fees detailed in the aforementioned Note 21 of the audited annual financial statements of the Company for the year ended 28 February 2021, the Directors did not receive any emoluments in the form of:

- 12.4.2.1 fees for services as a Director;
- 12.4.2.2 management, consulting, technical or other fees paid for such services rendered, directly or indirectly, including payments to management companies, a part of which is then paid to a Director of the Company;
- 12.4.2.3 basic salaries;
- 12.4.2.4 bonuses and performance-related payments;
- 12.4.2.5 sums paid by way of expense allowance;
- 12.4.2.6 any other material benefits received;
- 12.4.2.7 contributions paid under any pension scheme;
- 12.4.2.8 any commission, gain or profit-sharing arrangements;
- 12.4.2.9 share options or any other right given to a Director of the Company in respect of providing a right to subscribe for shares in the Company; and
- 12.4.2.10 any Shares issued and allotted in terms of a share purchase/option scheme for employees.

12.4.3 The Directors did not receive any remuneration or benefit in any form from any holding company, Subsidiary, associates of the holding company or Subsidiary, joint venture or other third party management or advisory company.

12.5 Directors' service contracts

Each of the executive Directors have service contracts in place, which service contracts are available for inspection as set out in paragraph 26 below, in order to (i) ensure continuity and retention; (ii) provide the Company and the executive management with protection; and (iii) reflect operational and labour law best practice.

The service contracts have a fixed term of five years. In the event of the Company terminating the service contract for any reason other than misconduct, prior to the expiry of the fixed term, the Company is liable to pay the executive for the remainder of the minimum employment period.

Should the executive resign from the Company prior to expiry of the fixed term, a mutually agreed, notice period is applicable.

12.6 Directors' interest in share options

The Directors have no interests in share options currently. This may change as a result of the approval of the Performance Share Plan by Shareholders at the General Meeting.

12.7 Directors' interests in transactions

Save for the Proposed Acquisition contemplated in this Circular, none of the Directors have had any beneficial interest, either directly or indirectly, in any transactions effected by Mantengu during the current or preceding financial year or during any earlier financial year which remains outstanding or unperformed in any respect.

12.11 Provisions of the Mantengu MOI pertaining to Directors

The relevant provisions of the Mantengu MOI pertaining to the Directors are set out in **Annexure 14** to this Circular.

13. MATERIAL CONTRACTS

13.1 Mantengu

Save for the Proposed Acquisition contemplated in this Circular, Mantengu has not entered into any restrictive funding arrangement or material contract other than in the ordinary course of business within two years prior to the date of this Circular, or entered into at any time and containing an obligation or settlement that is material to Mantengu at the date of this Circular.

13.2 Langpan Mining Co

Neither Langpan Mining Co nor its Subsidiaries have entered into any restrictive funding arrangement or material contract other than in the ordinary course of business within two years prior to the date of this Circular, or entered into at any time and containing an obligation or settlement that is material to Langpan Mining Co or its Subsidiaries at the date of this Circular save for:

13.2.1 the Proposed Acquisition contemplated in this Circular;

13.2.2 the contracts entered into with an independent off-taker pertaining to the prepayment facility of \$3.5 million for the delivery of 240,000MT of chrome concentrate as referred to in paragraph 3.2.8 above; and

13.2.3 the term sheet with an institutional funder for a debt facility of R55 million as referred to in paragraph 3.2.8 above.

14. BORROWINGS

14.1 Borrowing powers

In terms of Mantengu's MOI, the Directors may exercise all the powers of the Company to borrow money, as they consider appropriate and accordingly, there have been no circumstances during the past three years whereby the borrowing powers of the Company were exceeded.

The relevant provisions of Mantengu's MOI pertaining to the borrowing powers of the Directors are set out in **Annexure 14** to this Circular.

14.1.1 At the Last Practicable Date, Mantengu had the following material loans payable:

| Lender | Amount R'000 | Security | Terms | Rate |
|------------------------|-----------------|-----------|--------------------------------------------------------------------------------------------------------------------------|---------------|
| The Gamsy Family Trust | 12 771 | Unsecured | The loan, which was granted in 2017, has been subordinated in favour of other creditors until such time as the Company's | Prime plus 8% |

| | | assets, fair valued, exceed its liabilities. | | |
|-------------------------------------------|-------|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| POCOT Trust | 953 | Unsecured | These loans, which were granted in 2016 and 2017, are repayable by 31 December 2022 and will be financed by the underwriting of the Rights Offer. | Prime plus 8% |
| Opsisolve Investments Proprietary Limited | 458 | | | |
| Douglas Welsh | 375 | | | |
| KAG Trust | 191 | | | |
| JS Geyer | 174 | | | |
| Parkview Trust | 174 | | | |
| Growth Equities Proprietary Limited | 3 308 | Unsecured | | |

Growth Equities Proprietary Limited acquired the loan from various historical Mantengu creditors in 2016 in order to protect Mantengu from any legal action arising from the possible default of any of the underlying obligations. Subsequent to the acquisition of these loans, Growth Equities Proprietary Limited syndicated a portion of its loan to POCOT Trust, Opsisolve Investments Proprietary Limited, Douglas Welsh, KAG Trust, JS Geyer and the Parkview Trust.

The Gamsy Family Trust loan was entered into in 2017, when the Board approached the Gamsy Family Trust to be an Angel Investor where the funds would be used for working capital purposes to underpin Mantengu's reinstatement on the JSE.

No material loan covenants have been impacted by COVID-19.

14.1.2 At the Last Practicable Date, Langpan Mining Co had the following material loans payable:

| Lender | Amount R'000 | Security | Terms | Rate |
|-------------------------------|-------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Metorient Proprietary Limited | 18 359 | Unsecured | The loan forms part of the Creditor Compromise entered into between Langpan Mining Co and Memor Mining, as part of Langpan Mining Co's acquisition of Memor Mining. The loan amount is fixed, accrues no interest and is subject to a legal moratorium whilst the operations are ongoing. | 0% |
| Andru Proprietary Limited | 3 892 | Unsecured | The loan forms part of the Creditor Compromise entered into between Langpan Mining Co and Memor Mining, as part of Langpan's acquisition of Memor Mining. The loan amount is fixed, accrues no interest and is subject to a legal | 0% |

| | | | | |
|---------------------------------------------|--------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| | | | moratorium whilst the operations are ongoing. | |
| Batcor Plant Hire Proprietary Limited* | 11 784 | Unsecured | The loan forms part of the Creditor Compromise entered into between Langpan Mining Co and Memor Mining, as part of Langpan's acquisition of Memor Mining. The loan amount is fixed, accrues no interest and is subject to a legal moratorium whilst the operations are ongoing. | 0% |
| Simeka Capital Holdings Proprietary Limited | 9 820 | Unsecured | The loan forms part of the Creditor Compromise entered into between Langpan and Memor Mining, as part of Langpan Mining Co's acquisition of Memor Mining. The loan amount is fixed, accrues no interest and is subject to a legal moratorium whilst the operations are ongoing. | 0% |
| Stratore Proprietary Limited | 3 280 | Unsecured | This amount relates to a prepayment of chrome ore that was paid before 28 February 2021 for delivery after 28 February 2021. The amount is fixed and accrues no interest. | 0% |
| Memor Mining Shareholders | 2 100 | Unsecured | This amount forms part of the acquisition price of Memor Mining. The amount is fixed, accrues no interest and is only payable upon the fulfilment of the Creditor Compromise. | 0% |

*Batcor Plant Hire Proprietary Limited's ("**Batcor**") claim forms part of Memor Mining's Creditor Compromise. As part of the Langpan Mining Co 28 February 2021 audit, Batcor was requested to supply Langpan Mining Co with the underlying tax invoices and proof of services having been rendered. Batcor has refused to submit such information to Langpan Mining Co's auditors. Langpan Mining Co has also been served with an affidavit which casts significant doubt on Batcor legitimacy as a Memor Mining creditor. Langpan Mining Co is investigating the reversal of such liability in the 28 February 2022 year end.

14.2 Material commitments, lease agreements and contingent liabilities

Mantengu has no material commitments or contingent liabilities.

Mantengu has no commitments arising from property leases for its own business operations.

Other than as stated in Mantengu's 28 February 2021 annual financial statements, there is no loan capital outstanding.

14.4 Loans receivable

14.4.1 Mantengu

At the Last Practicable Date, Mantengu had no material loans receivable and had not made any loans or furnished any security to or for the benefit of any Director or manager of any associates of any Director or manager of Mantengu save as set out below.

| Lender | Amount R'000 | Security | Terms | Rate |
|--------------------|-----------------|-----------|--------------------------------------------------------------------------|------------|
| Langpan Mining Co* | 1 085 | Unsecured | Interest bearing related party loan deemed fair by independent expert.** | Prime + 8% |

*The loan by Langpan Mining Co has been fully repaid in the 28 February 2022 year.

** Announced on SENS on 26 March 2021.

14.5 Subsidiaries and inter-company loans

Mantengu does not have any material inter-company loans or other transactions or any inter-company balances before elimination on consolidation.

15. MATERIAL CHANGES

15.1 Mantengu

Save for the effects of the Proposed Acquisition, which have been disclosed in the *pro forma* financial information set out in in **Annexure 2** to this Circular, at the Last Practicable Date there have been no material changes in the financial or trading position of Mantengu since the reported financial information of Mantengu for the six month period ended 31 August 2021.

15.2 Langpan Mining Co

At the Last Practicable Date there have been no material changes in the financial or trading position of Langpan Mining Co and its Subsidiaries since the reported financial information of position of Langpan Mining Co for the six month period ended 31 August 2021.

16. WORKING CAPITAL STATEMENT

The Board has considered the effects of the Proposed Acquisition and is of the opinion that, for a period of 12 months from the date of this Circular:

- the Mantengu Group will in the ordinary course of business be able to pay its debts;
- the assets of the Mantengu Group, fairly valued, will be in excess of its liabilities. For this purpose the assets and liabilities are recognised and measured in accordance with the accounting policies applied to the latest audited financial results;
- the share capital and reserves of the Mantengu Group, will be adequate for ordinary business purposes; and
- the working capital of the Mantengu Group, will be adequate for ordinary business purposes.

17. LITIGATION STATEMENT

17.1 Mantengu

There are no legal or arbitration proceedings, pending or threatened, of which Mantengu is aware, that may have or have had, in the 12-month period preceding the Last Practicable Date, a material effect on the financial position of Mantengu.

17.2 Langpan Mining Co

Save as set out below, there are no material legal or arbitration proceedings, pending or threatened, of which Langpan Mining Co or its Subsidiary, Memor Mining, are aware, that may have or have had, in the 12-month period preceding the Last Practicable Date, a material effect on the financial position of Langpan Mining Co or its Subsidiary.

Memor Mining is in a legal dispute with ASB Minerals Proprietary Limited over R18 million of mining costs. The dispute arose due to significant discrepancies involving the manipulation of survey data, theft of chrome and intentional dilution of run of mine. ASB Minerals Proprietary Limited has applied for the liquidation of Memor Mining. Memor Mining has issued a combined summons on ASB Minerals Proprietary Limited for a collective claim of R69 million. Memor Mining has also laid the necessary charges with the South African Police Services on several parties, including the ASB Minerals Proprietary Limited mine manager. Memor Mining has obtained a legal opinion on the matter and accordingly, it is management's view that based on the merits of the case put forward by Memor Mining, it is improbable that Memor Mining will have to settle the balance.

As a result of the above, the R18 million has been recorded as a contingent liability and the collective claim of R69 million as a contingent asset in the Langpan Mining Co audited financial results of Langpan Mining Co for the year ended 28 February 2021.

18. CORPORATE GOVERNANCE AND APPLICATION OF KING IV

Shareholders are referred to **Annexure 12** to this Circular for details of the application of the King IV Report on Corporate Governance for South Africa, 2016 ("**King IV**") and other corporate governance principles of Mantengu.

19. HISTORICAL FINANCIAL INFORMATION

19.1 The audited annual financial statements for Mantengu for the three years ended 28 February 2021, and the reviewed interim financial results for the six months ended 31 August 2021 can be accessed on the Company's website at www.mantengu.com.

19.2 The historical financial information of Langpan Mining Co for the two financial years ended 28 February 2021, the six months ended 31 August 2021 and the reporting accountant's reports thereon are set out in **Annexures 7, 8 and 9** to this Circular, respectively.

20. COMPETENT PERSON'S REPORT

Shareholders are referred to **Annexure 16** to this Circular for an executive summary of the Competent Person's Report on Langpan Mining Co. The full Competent Person's Report can be accessed on the Company's website at www.mantengu.com.

21. OPINIONS AND RECOMMENDATION

The Directors, having considered the terms and conditions of the Proposed Acquisition and the report of the Independent Expert, the text of which is included as **Annexure 4** to this Circular and which states that the Proposed Acquisition is fair to Mantengu Shareholders, are of the opinion that the Proposed Acquisition is fair to Mantengu Shareholders and will have a beneficial financial effect on the Group. Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions, to be proposed at the General Meeting, to approve, *inter alia*, the Proposed Acquisition.

As at the Last Practicable Date, none of the Directors (or their associates), held Shares in Mantengu and accordingly, will not vote on the Resolutions, to be proposed at the General Meeting, to approve, *inter alia*, the Proposed Acquisition.

22. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out on page 18 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular in relation to Mantengu 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 this Circular contains all information required by law and the Listings Requirements.

23. EXPERTS' CONSENTS

The Transaction Sponsor and Designated Adviser, the Independent Expert, the Competent Person, the auditors and reporting accountants and the transfer secretaries have consented in writing to act in the capacities stated and to their names being stated in this Circular and, where applicable, to the inclusion of their reports in the form and context in which they have been reproduced in this Circular in **Annexures 3, 4, 6, 9, 11A, 11B and 16** have not, prior to the Last Practicable Date, withdrawn their consents prior to the publication of this Circular.

24. COSTS

The total costs relating to the Proposed Acquisition, which amount to approximately R4 739 070 excluding VAT, are set out in the table below:

| | Estimated amount R |
|-----------------------------------------------------------------|-------------------------------|
| Merchantec Capital – Transaction Sponsor and Designated Adviser | 900 000 |
| Letsema – Independent Expert | 250 000 |
| Ngubane & Co (Johannesburg) Inc. – Auditors | 400 000 |
| HLB CMA (South Africa) Inc. – Reporting Accountants | 300 000 |
| Bara Consulting – Competent Person | 1 644 300 |
| CSA – Geological and Technical Services | 246 000 |
| Mark Mining – Geological and Technical Services | 109 600 |
| JSE - Documentation inspection fees | 187 190 |
| JSE – Listing fees | 285 850 |
| Other | 341 130 |
| Purple Frog - Printing and postage fees | 75 000 |
| Total | 4 739 070 |

25. DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference and is available for viewing on the Company's website at www.mantengu.com. Such information will be available for inspection at the registered office of Mantengu as detailed in paragraph 25 below.

| Circular paragraph reference | Information | Website |
|---------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12.4 | Directors' emoluments | https://static1.squarespace.com/static/61e2a2ca7b3bd81084afa5t/627a847746d6987cc37379c0/1652196479918/MRI+++Annual+Report+2021.pdf |
| 19.1 | Mantengu's annual financial statements for the year ended 28 February 2021 | https://static1.squarespace.com/static/61e2a2ca7b3bd81084afa5t/627a847746d6987cc37379c0/1652196479918/MRI+++Annual+Report+2021.pdf |
| 19.1 | Mantengu's annual financial statements for the year ended 28 February 2020 | https://static1.squarespace.com/static/61e2a2ca7b3bd81084afa5t/627a84aee98e49096e30f81a/1652196534056/MRI+++Annual+Report+2020.pdf |
| 19.1 | Mantengu's annual financial statements for the year ended 28 February 2019 | https://static1.squarespace.com/static/61e2a2ca7b3bd81084afa5t/627a84d3dc98c959d0af90fb/1652196630045/MRI+++Annual+Report+2019.pdf |

| | | |
|------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19.1 | Mantengu's reviewed interim financial results for the six months ended 31 August 2021 | https://static1.squarespace.com/static/61e2a2ca7b3bd81084afaea5/t/627a893017ae651ac588cc87/1652197681600/MRI+Interim+Results+-+31+Aug+2021.pdf |
| 20 | Competent Person's Report | https://static1.squarespace.com/static/61e2a2ca7b3bd81084afaea5/t/627a880d09fe61455145a995/1652197432178/MTU+-+Langpan+Mining+Co+CPR+14-12-21+Approved.pdf |

26. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Mantengu as set out in the "Corporate information" section of this Circular, during normal business hours from Monday, 30 May 2022 up to and including Thursday, 30 June 2022 subject to any applicable lockdown restrictions imposed as a result of the COVID-19 pandemic, or on the Company's website at www.mantengu.com, as the case may be:

- Mantengu's MOI and the memorandum of incorporation of Langpan Mining Co;
- the Share Purchase Agreement;
- the Performance Share Plan;
- copies of the service contracts entered into between the executive Directors and the Company referred to in paragraph 12.5 above;
- the written consent letters referred to in paragraph 23 above;
- the signed independent reporting accountant's assurance report on the *pro forma* financial information of Mantengu, the text of which is included as **Annexure 3** to this Circular;
- the Independent Expert Report, the text of which is included as **Annexure 4** to this Circular;
- the signed independent reporting accountant's report on the historical financial information of Mantengu for the six months ended 31 August 2021, the text of which is included as **Annexure 6** to this Circular;
- the signed independent reporting accountant's report on the historical financial information of Langpan Mining Co for the two financial years ended 28 February 2021 and 2020 and the six months ended 31 August 2021, the text of which is included as **Annexure 9** to this Circular;
- the signed independent reporting accountant's assurance report on the forecast financial information of the Mantengu Group for 28 February 2023 and 2024, the text of which is included as **Annexure 11A** to this Circular;
- the signed independent reporting accountant's assurance report on the estimate financial information of the Mantengu Group for 28 February 2022, the text of which is included as **Annexure 11B** to this Circular;
- the Competent Person's Report, the executive summary of which is included as **Annexure 16** to this Circular; and
- a signed copy of this Circular.

27. GENERAL MEETING

A General Meeting of Mantengu Shareholders will be held at 10:00 on Thursday, 30 June 2022 to be conducted entirely by electronic facility/communication as permitted by section 63(2)(a) of the Companies Act, the JSE and clause 5.5 of Mantengu's MOI, in order to consider, and if deemed fit, approve with or without modification, the Resolutions set out in the Notice of General Meeting.

Shareholders are referred to the Notice of General Meeting for detail on the Resolutions to be proposed at the General Meeting and to the "Action Required by Mantengu Shareholders" section of this Circular for information on the procedure to be followed by Shareholders in order to participate and to exercise their votes at the General Meeting.

SIGNED BY M MOVUNDLELA ON BEHALF OF THE DIRECTORS OF MANTENGU MINING LIMITED, BEING DULY AUTHORISED IN TERMS OF POWERS OF ATTORNEY GRANTED TO HIM BY SUCH DIRECTORS

M Movundlela
Chief Executive Officer

Monday, 30 May 2022

VENDORS

Set out in the table below is the list of Vendors, together with each of their beneficial holding in Langan Mining Co and the number of Mantengu Shares to be issued as consideration therefor.

| Name of Vendor | % Shareholding in Langan | Related Party | Nature of Relationship | Number of Consideration Shares |
|-------------------------------------------------------------|-----------------------------------------|--------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------|
| Gamsy Family Trust | 18.7% | No | | 25 766 125 000 |
| Disruption Capital Proprietary Limited | 16.1% | Yes | Mantengu Chairman, Mike Miller, owns 100% of Disruption Capital Proprietary Limited. | 22 133 375 000 |
| Collins Family Trust | 12.3% | Yes | Mantengu former Director Alistair Collins is a Trustee and Beneficiary of said Trust. | 16 876 750 000 |
| Kianalily Proprietary Limited | 9.2% | No | | 12 632 125 000 |
| Its Really Me Proprietary Limited | 7.9% | No | | 10 819 875 000 |
| Susan Lynne Tarr | 5.3% | No | | 7 286 125 000 |
| Pinotage Trustees Sarl | 5.3% | No | | 7 286 125 000 |
| Dev Maharaj Family Trust | 5.0% | No | | 6 905 250 000 |
| Roux Mining and Civils Proprietary Limited (in liquidation) | 2.7% | No | | 3 749 625 000 |
| Andru Proprietary Limited | 2.4% | No | | 3 345 375 000 |
| BLM Global Partners RSA Proprietary Limited | 1.9% | No | | 2 579 500 000 |
| Simeka Capital Holdings Proprietary Limited | 1.8% | No | | 2 499 750 000 |
| Keith Lee Shew | 1.7% | No | | 2 348 500 000 |
| CCAAC Investments Proprietary Limited | 1.3% | No | | 1 729 750 000 |
| Parkview Trust | 0.9% | No | | 1 249 875 000 |
| Jennifer Suzanne Geyer | 0.9% | No | | 1 249 875 000 |
| Gravy Holdings Proprietary Limited | 0.8% | No | | 1 159 125 000 |
| LWS Family Office Proprietary Limited | 0.8% | No | | 1 126 125 000 |
| Putisolve Proprietary Limited | 0.7% | No* | | 999 625 000 |
| Amolo Holdings Proprietary Limited | 0.7% | No | | 980 375 000 |

| | | | |
|----------------------------------------------------------------|--------------|-----------|------------------------|
| Summa Investments Proprietary Limited | 0.6% | No | 891 000 000 |
| Sitona Materials Handling and Logistics Proprietary Limited | 0.5% | No | 746 625 000 |
| Sendizza Minerals Proprietary Limited | 0.4% | No | 500 500 000 |
| Katherine Louise Miller | 0.3% | No | 353 375 000 |
| Catherine Berlein | 0.2% | No | 305 250 000 |
| Inpro Limited | 0.2% | No | 250 250 000 |
| Ginger Cat Holdings Proprietary Limited | 0.2% | No | 268 125 000 |
| Petrus Johannes Human | 0.1% | No | 187 000 000 |
| Siyembili Consulting and Business Services Proprietary Limited | 0.1% | No | 187 000 000 |
| Gavin Mason | 0.1% | No | 149 875 000 |
| Jenny Mason | 0.1% | No | 149 875 000 |
| Lynne Miller | 0.1% | No | 149 875 000 |
| Ian Miller | 0.1% | No | 149 875 000 |
| Ashley Gerald Wilson | 0.1% | No | 125 125 000 |
| Nndanganeni Musekene | 0.1% | No | 125 125 000 |
| Theresa Walstra | 0.1% | No | 100 375 000 |
| Breamline Proprietary Limited | 0.1% | No | 100 375 000 |
| Sean Frankim | 0.03% | No | 37 125 000 |
| Total | 100% | | 137 500 000 000 |

* While Putisolve Proprietary Limited is 100% owned by Jonas Tshikunadamalema, at the date of signature of the Share Purchase Agreement he was not determined to be a related party to the Proposed Acquisition .

The following details the disclosure requirements relating to the vendors of material assets to Mantengu, being the Vendors, during the three years preceding the publication of this Circular.

1. The registered address of Langpan Mining Co, which acquired Memor Mining, the owner of the Mining Right, in December 2021 for a purchase consideration of R2.1 million, is 164 Katherine Street, Sandton, 2196.
2. The aggregate purchase consideration in respect of the Proposed Acquisition, being an amount of R550 million, will be settled by way of the issue of 137 500 000 000 Mantengu Shares to the Vendors, *pro rata*, to their shareholding in the Langpan Mining Co. No goodwill is payable in respect of the Proposed Acquisition.
3. Neither Langpan Mining Co nor its Subsidiary, Memor Mining, acquired any material assets during the three years preceding the Last Practicable Date, other than in the ordinary course of business.
4. The Vendors have not guaranteed the book debts. The Share Purchase Agreement contains warranties which are usual for transactions of this nature.
5. Warranties in respect of the Proposed Acquisition are normal for acquisitions of such nature.
6. The Share Purchase Agreement contains non-compete and non-solicitation clauses in terms of which the Vendors and any of their affiliates, as the case may be, have undertaken that for a period of five years from the Closing Date, they will not:
 - undertake or be involved in any business or form part of a business in South Africa in competition with Langpan Mining Co's business;

- do or say anything which is harmful to the reputation of Langpan Mining Co which leads a person to cease to deal with Langpan Mining Co;
 - offer to or employ, solicit or seek to entice away from Langpan Mining Co any person who was employed with Langpan Mining Co in a skilled or managerial position; and/or
 - solicit, or otherwise engage, the custom of any person who is or was a client or was negotiating to become a client of Langpan Mining Co at any time during the period of 12 months ending on the Closing Date.
7. There are no liabilities for accrued taxation that will be settled in terms of the Share Purchase Agreement.
 8. No Director, former Director or promoter of Mantengu (or any partnership, syndicate or other association in which a promoter or Director had an interest) has any beneficial interest, direct or indirect in the Proposed Acquisition save for receipt of the *pro rata* portion of the Consideration Shares by entities associated with Messrs Miller and Collins.
 9. No cash or securities have been paid or benefit given within the three preceding years of this Circular or is proposed to be paid or given, to any promoter (not being a Director).
 10. Pursuant to the implementation of the Proposed Acquisition, the Sale Shares will be transferred into the name of Mantengu.

PRO FORMA FINANCIAL INFORMATION OF MANTENGU

Basis of preparation

The tables below set out the *pro forma* financial information of the Proposed Acquisition on the reviewed results of Mantengu for the six months ended 31 August 2021 set out in **Annexure 5** to this Circular.

The *pro forma* financial information has been prepared to illustrate the impact of the Proposed Acquisition on the reported financial information of Mantengu for the six months ended 31 August 2021, had the Proposed Acquisition occurred on 1 March 2021 for the statement of comprehensive income (“**SoCI**”) purposes and as at 31 August 2021 for the statement of financial position (“**SoFP**”) purposes.

The *pro forma* financial information has been prepared using accounting policies that comply with IFRS and are consistent with those applied in the audited annual financial statements of Mantengu for the financial year ended 28 February 2021. The *pro forma* financial information is presented in accordance with the JSE Listings Requirements and the Guide on Pro Forma Financial Information issued by the South African Institute of Chartered Accountants.

The *pro forma* financial information is the responsibility of the Directors. Their responsibility includes determining that the Mantengu *pro forma* financial information has been properly compiled on the basis stated, which is consistent with the accounting policies of Mantengu and that the *pro forma* adjustments are appropriate for purposes of the *pro forma* financial information disclosed pursuant to the JSE Listings Requirements. The *pro forma* financial information is provided for illustrative purposes only and, because of its *pro forma* nature, may not fairly present Mantengu’s actual financial position, changes in equity, results of operations or cash flow. The *pro forma* financial information should be read in conjunction with the Independent Reporting Accountant’s assurance report thereon as set out in **Annexure 3** to this Circular.

Accounting policies

The IFRS compliant accounting policies that have been applied by the Group as a consequence of certain of the corporate transactions and used for the purposes of the preparation of the *Pro Forma* Financial Information, and which will be utilised by the Group for purposes of the preparation of the annual financial statements are set out below:

Reverse acquisition of Langpan Mining Co

With reference to the pertinent facts and circumstances, the following considerations as laid out in IFRS 3 and IFRS 6, are applicable:

IFRS 3 sets out the requirements for the computation of goodwill and/or a gain from a bargain purchase

Following from the above facts and circumstances, the proposed acquisition of Langpan Mining Co by Mantengu has been recognised, measured and disclosed as a reverse acquisition in accordance with IFRS 3. A reverse acquisition occurs when the entity that issues securities (legal acquirer) is identified as the acquiree for the accounting purpose and the entity whose equity interests are acquired (legal acquiree), is the acquirer for accounting purposes.

As defined in accordance with IFRS 3, Mantengu has no preceding control over Langpan Mining Co, the transaction has been categorised as a reverse acquisition in terms of IFRS 3 where the legal acquirer (Mantengu) becomes the accounting acquiree and the legal subsidiary (Langpan Mining Co) becomes the accounting acquirer.

In accordance with IFRS 3, as Mantengu is the accounting acquiree, the assets and liabilities of Mantengu are to be re-measured at fair value on acquisition date in accordance with the acquisition method with all the recognition and measurement principles of IFRS being applied, including the requirement to recognise goodwill, if applicable.

Further to this, IFRS 3 requires that both the accounting acquirer and acquiree must meet the definition of a business.

IFRS 3 defines a business combination as a transaction or other event in which an acquirer obtains control of one or more businesses. The accounting acquirer in the transaction is Langpan Mining Co due to the fact that the share swap results in a reverse takeover due to Langpan Mining Co having significantly more value. This then results in the fact that Mantengu is the accounting acquiree. IFRS 3 requires that the accounting acquiree is a business. Although Mantengu, currently, is a cash shell per the JSE Listings Requirements, this does not preclude it from being classified as a business in terms of IFRS. An assessment of the requirements of IFRS 3 B7 – B11 was performed which deemed Mantengu to be a business for the following reasons:

1. Mantengu is an investment holding company that is required to be listed and trading to make viable investments.
2. Mantengu has, since its suspension, raised debt funding to correct the outstanding governance and compliance issues.
3. Mantengu has invested in a newly comprised Board of Directors and additional governance and controls to underpin the outstanding governance and compliance issues.
4. Mantengu has continually canvassed the market for viable investment opportunities.
5. Mantengu has submitted business plans to the JSE for its acquisition of Langpan. These plans were approved.
6. Mantengu has executed a share purchase agreement with Langpan and is busy clearing conditions precedent to finalise the transaction.

Pro forma consolidated statement of comprehensive income – 31 August 2021

| | | Adjustments due to Proposed Acquisition | | | |
|---------|------------------------------------------------|---------------------------------------------|--------------------------------------|-------------------------------------------|-------------------------------------------------------------|
| (R'000) | Mantengu "Before" Accounting Acquiree | Langpan Mining Co Accounting Acquirer | Pre- Consolidation Adjustments | Pro-Forma Consolidation Adjustments | Pro forma SoCI after acquisition of Langpan Mining Co |
| | Note 1 | Note 2 | Note 3 | | Note 8 |
| | | | | | |

| | | | | | |
|------------------------------------------------|----------------|----------------|----------------------|---|------------------------------|
| Chrome Sales | - | 1 481 | - | - | 1 481 |
| Total Revenue | - | 1 481 | - | - | 1 481 |
| Mining Costs | - | (3 420) | - | - | (3 420) |
| Cost of Sales | - | (3 420) | - | - | (3 420) |
| Operating Loss | - | (1 939) | - | - | (1 939) |
| Other Income | 266 | 44 | - | - | 310 |
| Admin & Other Expenses | (1 788) | (3 884) | (4 739) ⁴ | - | (10 411) |
| Finance Costs | (1 430) | (238) | - | - | (1 668) |
| Loss Before Taxation | (2 952) | (6 017) | (4 739) | - | (13 708) |
| Taxation | - | - | - | - | - |
| Loss for the Period | (2 952) | (6 017) | (4 739) | - | (13 708) |
| Other Comprehensive Income | | | | | |
| Total Comprehensive Income | (2 952) | (6 017) | (4 739) | - | (13 708) |
| Basic (Loss) / Earnings per Share (cents) | (0.34) | | | | (0.0099) |
| Diluted (Loss) / Earnings per Share (cents) | (0.34) | | | | (0.0099) |
| Headline (Loss) / Earnings per Share (cents) | (0.34) | | | | (0.0099) |
| Weighted average number of Shares in Issue | 863 053 000 | | | | 138 363 053 000 ⁵ |
| Diluted average number of Shares in Issue | 863 053 000 | | | | 138 363 053 000 ⁵ |
| Headline Loss Reconciliation | | | | | |
| <i>Loss attributable to owners of Mantengu</i> | (2 952) | (6 017) | (4 739) | - | (13 708) |
| <i>Less Gain on Bargain Purchase</i> | - | - | - | - | - |
| Headline Loss for the Period | (2 952) | (6 017) | (4 739) | - | (13 708) |

Notes:

1. The “Before” column represents the consolidated statement of financial position extracted, without adjustment, from Mantengu’s reviewed condensed consolidated results for the six months ended 31 August 2021 as set out in Annexure 5 to this Circular, this being the accounting acquiree;
2. Represents the consolidated statement of financial position extracted, without adjustment, from Langpan Mining Co’s reviewed condensed consolidated results for the six months ended 31 August 2021 as set out in Annexure 8 to this Circular, this being the accounting acquirer;
3. Represents adjustments to account for the effect of the transaction proposed in this Circular;
4. Transaction fees directly attributable to the transaction proposed in this Circular as detailed in paragraph 24 of this Circular. This is a one-time cost that will not have a continuing effect.
5. Movement in shares issued: Opening balance of 863 million shares (which is the number of ordinary shares outstanding from acquisition date to transaction close, which is the actual number of ordinary shares of the legal acquirer (the accounting acquiree)); *and the ordinary shares outstanding from the beginning of the period to the close of the transaction on the basis of the weighted average number of ordinary shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established from the Share Purchase Agreement (137.5 billion divided by 100,000 = 1.375 million) in accordance with IFRS 3 para B26.*
6. Represents the *pro forma* SoCI of Mantengu, after taking into account the Share Consolidation. Transaction costs are considered as non-recurring events. The remainder of the balances are considered as continuing effects.

Pro forma consolidated statement of financial position

| | | Adjustments due to Proposed Acquisition | | | |
|--------------------------------------|----------------------|-----------------------------------------|----------------------------------|-------------------------------------------|-------------------------------------------------------------|
| (R'000) | Mantengu "Before" | Langpan Mining Co | Pre-Consolidation Adjustments | Pro-Forma Consolidation Adjustments | Pro forma SoFP after acquisition of Langpan Mining Co |
| | Note 1 | Note 2 | Note 3 | Note 4 | |
| Non-Current Assets | | | | | |
| Investment | - | - | 3 079 ^{3.2} | (3 079) ^{4.1} | - |
| Property, Plant, Equipment | - | 17 618 | - | - | 17 618 |
| Mining Right – Mineral Reserve | - | 92 200 | 3.3 | - | 92 200 |
| Goodwill | - | - | - | 28 397 ⁵ | 28 397 |
| TOTAL NON-CURRENT ASSETS | - | 109 818 | 3 079 | 25 318 | 138 215 |
| Current Assets | | | | | |
| Trade Receivables & Inventory | 362 | 1 796 | - | - | 2 158 |
| Short-Term Loan | - | 7 | - | (7) | - |
| Cash & Cash Equivalents | 5 | 3 216 | - | - | 3 221 |
| TOTAL CURRENT ASSETS | 367 | 5 019 | - | (7) | 5 379 |
| TOTAL ASSETS | 367 | 114 837 | 3 079 | 25 311 | 143 594 |
| Equity | | | | | |
| Share Capital | 85 020 | 48 391 | - | (85 020) ^{4.1} | 48 391 |
| Share Premium | - | - | 3 079 ^{3.2} | - | 3 079 |
| Accumulated Profit / (Loss) | (110 338) | (12 573) | (4 739) ^{3.1} | 110 338 ^{4.1} | (17 312) |
| TOTAL EQUITY | (25 318) | 35 818 | (1 660) | 25 318 | 34 158 |
| Non-Current Liabilities | | | | | |
| Amounts Owning to Shareholders | - | 35 451 | - | - | 35 451 |
| Other Financial Liabilities | - | 28 180 | - | - | 28 180 |
| Deferred Tax Liability | - | - | - | - | - |
| TOTAL NON-CURRENT LIABILITIES | - | 63 631 | - | - | 63 631 |

| | | | | | |
|---------------------------------------|---------------|----------------|----------------------|---------------|---------------------|
| Current Liabilities | | | | | |
| Other Financial Liabilities | 19 856 | 9 104 | | | 28 960 |
| Trade & Other Payables | 5 829 | 5 586 | 4 739 ^{3.1} | (7) | 16 147 |
| Taxation | - | 698 | - | - | 698 |
| TOTAL CURRENT LIABILITIES | 25 685 | 15 388 | 4 739 | (7) | 45 805 |
| TOTAL EQUITY & LIABILITIES | 367 | 114 837 | 3 079 | 25 311 | 143 594 |
| NAV per share (cents) | (2.93) | | | | 0.0247 ⁵ |
| TNAV per share (cents) | (2.93) | | | | 0.0247 ⁵ |
| Number of shares issued | 863 053 000 | | | | 138 363 053 000 |

Notes and assumptions:

1. The “Before” column represents the consolidated statement of financial position extracted, without adjustment, from Mantengu’s reviewed condensed consolidated results for the six months ended 31 August 2021 as set out in Annexure 5 to this Circular;
2. Represents the consolidated statement of financial position extracted, without adjustment, from Langpan Mining Co’s reviewed condensed consolidated results for the six months ended 31 August 2021 as set out in Annexure 8 to this Circular;
3. Represents:
 - 3.1 Once-off transaction fees of R4.7 million as detailed in paragraph 24 of this Circular.
 - 3.2 Paragraph B20 of IFRS 3 requires that in the instance of a reverse acquisition, the acquisition-date fair value of the consideration transferred by the accounting acquirer (Langpan) for its interest in the accounting acquiree (MTU) is based on the number of equity interest the legal subsidiary (Langpan) would have had to issue to give the owners of the legal parent (MTU) the same percentage equity interest in the combined entity that results from the reverse acquisition. Applying this guidance, the acquisition-date fair value of equity interest that Langpan would have had to issue to MTU shareholders equates to R3.1 million determined as follows:
 - 3.2.1 The acquisition-date fair value of Langpan was perceived to be value of the mining right at R550.0 million plus the current Net Asset Value of Langpan of R35.8 million to arrive at a total value of Langpan of R493.6 million (R550 million less R92.2 million cost of mining right already accounted for) at 100%
 - 3.2.2 Post-transaction, MTU shareholders will hold 1% (863 million shares divided by 138 billion post-transaction shares) of the combined entity (before the rights issue) therefore, 1% of R493.6 million equates to R3.1 million
4. Represents the consolidation adjustment at acquisition date to eliminate amounts in order to comply with IFRS 3 paragraph B 21 that the consolidated statements read as a continuation of the financial statements of the legal subsidiary (accounting acquirer). To achieve this, the MTU equity interest of R3.1 million, MTU’s share capital of R85.0 million and MTU’s accumulated loss of R110.3 million are eliminated.
5. IFRS 3 paragraph 32 guides on how goodwill should be determined which is the purchase consideration over NAV assumed. In the instance, the purchase consideration is assumed as the R3.1 million and with the negative NAV of R25.3 million, goodwill is calculated as R28.4 million.
6. Net Asset Value and Tangible Net Asset per share are equal as there are no intangible assets / goodwill to adjust.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION OF MANTENGU

"The Board of Directors
Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2196

23 May 2022

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INCLUDED IN THE CIRCULAR

The definitions commencing on page 10 of the Circular to which this letter is attached apply *mutatis mutandis* to this report (unless specifically defined where used or the context indicates a contrary intention).

Introduction

We have completed our assurance engagement to report on the compilation of pro forma financial information of Mantengu Mining Limited by the directors. The pro forma financial information, as set out in Annexure 2 of the circular, consists of the pro forma Statement of Financial Position at 31 August 2021, the pro forma statement of comprehensive income for the period ended 31 August 2021 and related notes. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are specified in the Johannesburg Stock Exchange Limited (JSE) Listings Requirements and described in the basis of preparation paragraph of Annexure 2.

The pro forma financial information was compiled by the directors to illustrate the impact of the corporate action, described in Paragraph 1 on the Company's financial position as at 31 August 2021, and the Company's financial performance for the period then ended, as if the corporate action or event had taken place at 1 March 2021 and for the period then ended. As part of this process, information about the Company's financial position and financial performance has been extracted by the directors from the Company's financial statements for the period ended 31 August 2021, on which a Reviewer's report was issued on 31 March 2022.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 2.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

HLB CMA South Africa Incorporated applies the International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and*

Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* which is applicable to an engagement of this nature (Circular) issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus or Circular of this nature is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at 31 August 2021 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 2.

Jean-Andre du Toit CA(SA)

Director

Registered Auditor

Reporting Accountant Specialist (JSE)

On Behalf of HLB CMA South Africa Incorporated

(JSE accredited Reporting Accountant)

CMA Office and Conference Park

No. 2 Second Road

Halfway House, 1985”

INDEPENDENT EXPERT REPORT

“The Board of directors of Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2028

23 May 2022

Dear Sirs / Madams,

**REPORT OF THE INDEPENDENT EXPERT TO MANTENGU MINING LIMITED (“MANTENGU”)
REGARDING THE RELATED PARTY ACQUISITION OF 100% OF LANGPAN MINING CO
PROPRIETARY LIMITED (“LANGPAN MINING CO) (THE “PROPOSED ACQUISITION”)**

INTRODUCTION

Letsema Corporate Finance Proprietary Limited (“LCF”) has been appointed by the board of directors of Mantengu (the “Board”) to advise the shareholders whether, in our opinion, the acquisition of Langpan Mining Co is fair to the existing shareholders of Mantengu (previously Mine Restoration Investments Limited or “MRI”).

In terms of the Announcement released on SENS on 22 April 2022, the shareholders of Mantengu were advised of the proposed Related Party acquisition by Mantengu of a 100% shareholding in Langpan Mining Co from the Vendors. This acquisition is to be settled through the issue of 137 500 000 000 shares in Mantengu.

The Proposed Acquisition is, in terms of in terms of paragraph 10.1(b)(ii) and paragraph 9.5(c) of the Listings Requirements, respectively, classified as a Related Party transaction as certain of the Vendors are Directors and former Directors of the Company or associates thereof. As a result, a fairness opinion is required to be carried out on the Proposed Acquisition in terms of section 10.4(f) of the Listings Requirements.

SCOPE

This fairness opinion relates solely and specifically to the issue of 137 500 000 000 shares in Mantengu in return for the entire issued share capital in Langpan Mining Co.

RESPONSIBILITY

Compliance with the JSE Listings Requirements is the responsibility of the Directors. Our responsibility is to report on whether the terms of the Proposed Acquisition are fair to the existing shareholders of Mantengu.

EXPLANATION OF THE TERM “FAIR”

The assessment of the “fairness” of a transaction is primarily based on quantitative considerations. A transaction will generally be considered fair to shareholders if the fair value per Mantengu share after the Proposed Acquisition is equal to or greater than the fair value per share immediately preceding date of the Proposed Acquisition.

The Proposed Acquisition may be said to be fair to the Mantengu shareholders if the fair value of the shares acquired in Langpan Mining Co are greater than or equal to the fair value of 137 500 000 000 shares in Mantengu immediately preceding the date of the Proposed Acquisition or unfair if the fair value of the shares acquired in Langpan Mining Co are less than to the fair value of 137 500 000 000 shares in Mantengu immediately preceding the date of the Proposed Acquisition.

DETAILS AND SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information obtained from Mantengu’s management and from various public, financial and industry sources. Our conclusion is dependent on such information being accurate in all material respects. For the purpose of compiling this report and the opinion contained herein, we have considered all information relevant to the securities affected by the Proposed Acquisition.

The principal sources of information used in formulating our opinion regarding the Proposed Acquisition are as follows:

- The circular to Mantengu shareholders dated 30 May 2022 of which this letter forms part;
- The “revised related party acquisition, rights offer and amendment of memorandum of incorporation” announcement dated 22 April 2022;
- Audited annual financial statements of Mantengu (previously MRI) for the periods ending 28 February 2019, 2020, and 2021;
- Audited annual financial statements of Langpan Mining Co for the year ended 28 February 2021;
- Unaudited interim results of Mantengu (previously MRI) for the six months ended 31 August 2021;
- Unaudited interim results of Langpan Mining Co for the six months ended 31 August 2021;
- JSE-approved Competent Person’s Report and Mineral Reserve Statement for the Langpan Chrome Project (including all appendices), dated 13 December 2021, and prepared by Bara Consulting (Pty) Ltd;
- Forecast financial model for Langpan Mining Co as prepared by Mantengu management;
- Langpan Valuation Report prepared by M Squared Resources (Pty) Ltd (“M2R”) dated 11 May 2022;
- Publicly available information relating to Mantengu and other comparable companies in the sector that we deemed to be relevant.

Where practical, we have corroborated the reasonability of the information provided to us for the purpose of our opinion, including publicly available information, whether in writing or obtained in discussions with management and the Mantengu Board.

PROCEDURES

In order to assess the fairness of the terms and conditions relating to the Proposed Acquisition, we have performed, amongst others, the following procedures:

5.8(o)

- Reviewed the audited annual financial statements of Mantengu (previously MRI) for the years ending 28 February 2019, 2020, and 2021;
- Reviewed the audited annual financial statements of Langpan Mining Co for the year ended 28 February 2021;
- Reviewed the unaudited interim results of Mantengu (previously MRI) for the six months ended 31 August 2021;
- Reviewed the unaudited interim results of Langpan Mining Co for the six months ended 31 August 2021;
- Reviewed the circular to Mantengu shareholders dated 30 May 2022;
- Considered information made available by and from discussions held with the management of Mantengu and Langpan Mining Co;
- Reviewed the JSE-approved Competent Person's Report and Mineral Reserve Statement for the Langpan Chrome Project (including all appendices), dated 13 December 2021, and prepared by Bara Consulting;
- Reviewed the forecast financial model for Langpan Mining Co as prepared by Mantengu management;
- Reviewed the company profile of M2R and curriculum vitae of M2R's assigned consultants and found them to be competent to perform a review of the JSE-approved Competent Person's Report and Mineral Reserve Statement and perform a valuation of Langpan Mining Co;
- Reviewed the valuation methodology and approach used by M2 Resources;
- Computed the pre-transaction equity value per Mantengu share using the adjusted NAV methodology as the primary basis for valuation;
- Reviewed the Langpan Mining Co Valuation Report prepared by M2R dated 11 May 2022. This report uses both the DCF and market approaches to value the shares in Langpan Mining Co;
- Computed the post-transaction equity value per Mantengu share after adjusting for the share swap and the consolidation of Langpan Mining Co into the group; and
- Compared the pre-transaction equity value per Mantengu share to the post transaction equity value per share.

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Assumed that the change of control from Memor Mining (Pty) Ltd to Langpan Mining Co regarding the mining right, in terms of section 11 of the Mineral and Petroleum Resources Development Act No. 28 of 2002, is legally enforceable;
- That all agreements that are to be entered into in terms of the Proposed Acquisition will be legally enforceable;
- That the Proposed Acquisition will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives and advisers of Mantengu;
- That reliance can be placed on information and assumptions made available by Mantengu's management;
- That reliance can be placed on the circular to Mantengu shareholders dated 30 May 2022 of which this letter forms part;

- That reliance can be placed on the audited annual financial statements of Mantengu (previously MRI) for the periods ending 28 February 2019, 2020, and 2021;
- That reliance can be placed on the audited annual financial statements of Langpan Mining Co for the year ended 28 February 2021;
- That reliance can be placed on the unaudited interim results of Mantengu (previously MRI) for the six months ended 31 August 2021;
- That reliance can be placed on the unaudited interim results of Langpan Mining Co for the six months ended 31 August 2021;
- That reliance can be placed on the JSE-approved Competent Person's Report and Mineral Reserve Statement for the Langpan Chrome Project (including all appendices), dated 13 December 2021, and prepared by Bara Consulting (Pty) Ltd;
- That reliance can be placed on the forecast financial model for Langpan Mining Co as prepared by Mantengu management;
- That reliance can be placed on Langpan Valuation Report prepared by M2R dated 11 May 2022;
- That reliance can be placed on the presentations prepared by management;
- That reliance can be placed on trading and market data obtained from external data providers;
- That the terms and conditions of the Transaction (as detailed in the Circular) are correct;
- That forecasted assumptions provided by Mantengu's management are achievable; and
- The valuation was performed taking cognisance of Mantengu and Langpan Mining Co's current and planned operations as well as other market factors affecting these operations.

APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- Conducting analytical reviews on the historical financial results and financial information, such as key ratio and trend analyses; and
- Determining the extent to which representations from management were confirmed by documentary evidence as well as our understanding of Mantengu and the economic environment in which the Company and its underlying investments operate.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

This opinion is provided to the directors in connection with and for the purposes of the Proposed Acquisition. The opinion does not purport to cater for each individual shareholder's perspective, but rather that of the general body of Mantengu's shareholders.

Individual shareholders' decisions regarding the Proposed Acquisition may be influenced by such shareholders' particular circumstances and accordingly individual shareholders should consult an independent adviser if in any doubt as to the merits or otherwise of the Proposed Acquisition.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with management, by reference to publicly available or independently obtained information. While our work has involved an analysis of,

inter alia, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

Where relevant, forward-looking information of Mantengu relates to future events and is based on assumptions that may or may not remain valid for the whole of the forecast period. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely the actual future results of Mantengu and its underlying investments will correspond to those projected. We have however compared the forecast financial information to past trends as well as discussing the assumptions inherent therein with management.

We have also assumed that the Proposed Acquisition will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisers of Mantengu and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

There were no limiting conditions, or any restrictions of scope imposed by Mantengu whilst this opinion was being prepared.

INDEPENDENCE, COMPETENCE AND FEES

There is no relationship between LCF, and any other parties involved in the Proposed Acquisition. LCF has no shares in Mantengu, or any other party involved in the Proposed Acquisition. LCF's fee in respect of this opinion is not payable in Mantengu shares and is not contingent or related to the outcome of the Proposed Acquisition.

VALUATION APPROACH

We have performed a valuation of both Mantengu and Langpan Mining Co to determine whether swap of 137 500 000 000 Mantengu shares for the entire issued share capital in Langpan Mining Co represents fair value to the Mantengu shareholders. We confirm that we have engaged the services of M2R to assist with the analysis of the Competent Persons Report as well as the valuation of Langpan. We have reviewed the credentials of M2 Resources as well as the valuation report provided and are comfortable with the valuation performed.

We performed a valuation of Mantengu utilising the NAV methodology as the primary methodology. The NAV methodology is regarded as being the most appropriate due to the fact that Mantengu is currently a cash shell which has not traded since July 2016.

Key value drivers to the pre-transaction valuation of Mantengu are as follows:

Internal

Key value drivers to the net asset valuation are as follows:

- Recoverability of Trade and Other Receivables;
- Settlement value of Trade and Other Payables; and
- Settlement value of Financial Liabilities.

External:

- Macroeconomic factors impacting the South African economy as a whole.

Sensitivity analyses on the Net Asset Valuation of Mantengu were conducted, where practical, using key value drivers which may materially impact the value of Mantengu. The results of these are set out below:

- Recoverability of Trade and Other Receivables - A 5% fluctuation in the recoverability of Trade and Other Receivables would cause the valuation of Mantengu to fluctuate by c. 0.0001 cents per share;
- Settlement value of Trade and Other Payables - A 5% fluctuation in the settlement of Trade and Other Payables would cause the valuation of Mantengu to fluctuate by c. 0.002 cents per share;
- Settlement value of Financial Liabilities - A 5% fluctuation in the settlement of Financial Liabilities would cause the valuation of Mantengu to fluctuate by c. 0.002 cents per share.

A pre-transaction valuation of Langan Mining Co was performed utilising the both the DCF approach and market approach methodologies.

Key value drivers of the Langan Mining Co in relation to the DCF valuation method are as follows:

Internal

- Forecast Chromite revenue assumptions;
- Forecast rehabilitation costs;
- Forecasts mining cost assumptions;
- Forecast capital expenditure requirements;
- Forecast working capital expenditure; and
- The discount rate applicable to Langan Mining Co.

External

- Foreign exchange rates;
- Forecast commodity prices;
- Stability of the economy and other macroeconomic factors.

Sensitivity analyses on the DCF valuation of Langan Mining Co were conducted, where practical, using key value drivers which may materially impact the value of Langan Mining Co. The results of these are set out below:

- Chromite revenue - A 2% fluctuation in forecast Chromite revenue would cause the valuation of Langan Mining Co to fluctuate by c. R206.55 per share;
- Rehabilitation costs - A 2% fluctuation in expected rehabilitation costs would cause the valuation of Langan Mining Co to fluctuate by c. R34.80 per share;
- Mining costs - A 2% fluctuation in forecast mining costs into perpetuity would cause the valuation of Langan Mining Co to fluctuate by c. R134.98 per share;
- Capital expenditure - A 2% fluctuation in forecast capital expenditure would cause the valuation of Langan Mining Co to fluctuate by c. R7.21 per share;
- Working capital - A 2% fluctuation in forecast working capital requirements into perpetuity would cause the valuation of Langan Mining Co to fluctuate by c. 42 cents per share; and
- Discount rate - A 1% fluctuation in the discount rate into perpetuity would cause the valuation of Langan Mining Co to fluctuate by c. R2.27 per share.

Key value drivers of the Langpan Mining Co in relation to the market valuation method are as follows:

Internal

- Comparable transaction multiples.

External

- Stability of the economy and other macroeconomic factors.

Sensitivity analyses on the market valuation of Langpan Mining Co were conducted, where practical, using key value drivers which may materially impact the value of Langpan Mining Co. The results of these are set out below:

- Comparable transaction multiples – A 5% fluctuation in the comparable transaction multiples would cause the valuation of Langpan Mining Co to fluctuate by c. R13.75 per share.

The DCF valuation showed a materially higher valuation result than the market approach. Given the fact that the market approach is based on recent, similar transactions that have been successfully concluded, the market approach is deemed to be a more reliable indicator of fair value.

We believe the above procedures commercially justify the conclusion outlined below.

VALUATION RESULTS

In undertaking the valuation exercise above, we determined a valuation range of between negative 0.1 cents per share to 0.0 cents per share for Mantengu with a most likely valuation per share of 0.0 cents prior to the implementation of the Proposed Acquisition. This implies a pre transaction valuation, for 100% of the issued shares in Mantengu of RNIL. We further determined a valuation range of between R210 per share to R340 per share for Langpan Mining Co with a most likely valuation per share of R275 prior to the implementation of the Proposed Acquisition. This implies a pre transaction valuation, for 100% of the issued shares in Langpan Mining Co of R27.5 million.

OPINION

Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of the share exchange. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

We have considered the terms and conditions of the Proposed Acquisition, and based upon and subject to the foregoing, we are of the opinion that Proposed Acquisition is fair to the shareholders of Mantengu in terms of the JSE Listings Requirements.

CONSENT

We hereby consent to the inclusion of this opinion and references hereto, in the form and context in which it appears in any required regulatory announcement or document.

Yours faithfully

Rowan McDonald

Director

Letsema Corporate Finance (Pty) Ltd

3rd Floor, The Firs

Corner of Biermann & Cradock

Rosebank, Johannesburg, 2196"

REVIEWED INTERIM FINANCIAL RESULTS OF MANTENGU FOR THE SIX MONTHS ENDED 31 AUGUST 2021

Annexure 5 contains an extract of the reviewed interim financial results of Mantengu for the six months ended 31 August 2021 published on SENS on 20 May 2022.

Shareholders are referred to the link set out in paragraph 25 of the Circular, 'Documents incorporated by reference' for access to the full results.

SUMMARISED STATEMENT OF FINANCIAL POSITION

for the six months ended 31 August 2021

| | Reviewed as at 31 August 2021 R'000 | Unaudited as at 31 August 2020 R'000 |
|---------------------------------------|----------------------------------------------|-----------------------------------------------|
| ASSETS | | |
| Current assets | | |
| Short-term loan | - | - |
| Trade and other receivables | 362 | 538 |
| Cash and cash equivalents | 5 | 27 |
| | 367 | 565 |
| TOTAL ASSETS | 367 | 565 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Amount attributable to equity holders | (25 318) | (23 625) |
| Non-controlling interest | - | (31) |
| | (25 318) | (23 656) |
| Liabilities | | |
| Current liabilities | | |
| Other financial liabilities | 19 856 | 18 532 |
| Trade and other payables | 5 829 | 5 689 |
| | 25 685 | 24 221 |
| Total liabilities | 25 685 | 24 221 |
| TOTAL EQUITY AND LIABILITIES | 367 | 565 |

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 31 August 2021

| | Reviewed six months to August 2021 R'000 | Unaudited as at 31 August 2020 R'000 |
|----------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------|
| Revenue | - | - |
| Other income | 266 | 386 |
| Impairment reversal | - | - |
| Administration and other operating expenses | (1 788) | (1 201) |
| Operating (Loss)/Profit | (1 522) | (815) |
| Finance costs | (1 430) | (1 540) |
| Gain on disposal of subsidiaries | - | - |
| Loss before taxation | (2 952) | (2 355) |
| Taxation | - | - |
| Loss for the period | (2 952) | (2 355) |
| Other comprehensive income: | | |
| Reversal of capital reserve | - | - |
| Total comprehensive income (Loss)/Income for the period | (2 952) | (2 355) |
| Total comprehensive income attributable to: | | |
| Owners of the parent | (2 952) | (2 355) |
| Basic (loss)/earnings per share | (0.34) | (0.27) |
| Diluted (loss)/earnings per share | (0.34) | (0.27) |
| Headline (loss)/earnings per share | (0.34) | (0.27) |
| Weighted average number of shares in issue ('000) | 863 053 | 863 053 |
| Diluted weighted average number of shares in issue ('000) | 863 053 | 863 053 |

SUMMARISED STATEMENTS OF CHANGES IN EQUITY

for the six months ended 31 August 2021

| | Share capital R'000 | Capital reserve R'000 | Equity due to change in ownership R'000 | Accumulated earnings (loss) R'000 | Amount attributable to equity holders R'000 | Non-controlling interest R'000 | Total equity R'000 |
|--------------------------------------------------------|------------------------|--------------------------|--------------------------------------------|--------------------------------------|------------------------------------------------|-----------------------------------|-----------------------|
| Balance at 29 February 2020 | 85 020 | 5 000 | (2 459) | (108 831) | (21 270) | (31) | (21 301) |
| Total comprehensive earnings/(loss) for the period | - | - | - | (2 355) | (2 355) | - | (2 355) |
| Balance at 31 August 2020 | 85 020 | 5 000 | (2 459) | (111 186) | (23 625) | (31) | (23 656) |
| Total comprehensive earnings/(loss) for the period | - | (5 000) | - | 6 290 | 1 290 | - | 1 290 |
| Disposal of subsidiaries recognised directly in equity | - | - | (2 459) | (2 490) | (31) | 31 | - |
| Balance at 28 February 2021 | 85 020 | - | - | (107 386) | (22 366) | - | (22 366) |
| Total comprehensive earnings/(loss) for the period | - | - | - | (2 952) | (2 952) | - | (2 952) |
| Balance at 31 August 2021 | 85 020 | - | - | (110 338) | (25 318) | - | (25 318) |

CONSOLIDATED STATEMENTS OF CASH FLOWS

for the six months ended 31 August 2021

| | Reviewed six months to August 2021 R'000 | Unaudited as at 31 August 2020 R'000 |
|-----------------------------------------------------------|---------------------------------------------------|-----------------------------------------------|
| Cash flows from operating activities | (1 138) | (4) |
| Cash flows from investing activities | - | - |
| Cash flows from financing activities | 1 139 | 43 |
| Total cash movement for the period | 1 | 39 |
| Cash and cash equivalents at the beginning of the period | 4 | (12) |
| Cash and cash equivalents at the end of the period | 5 | 27 |

COMMENTARY

During the period under review, similar to recent historical periods, as a cash shell, Mantengu continued to have little activity with movements largely relating to overhead administrative costs and interest on loans.

The structure of the Statement of Financial Position remained largely consistent with liabilities continuing to exceed assets by R25.3 million as at 31 August 2021. The statements were prepared on a going concern assumption basis with the view that the Company will continue to raise cash required to meet obligations.

The significant movements in the Comprehensive Income statement relate to increase in the administrative costs which was largely driven by higher employee costs relating to the hiring of the Chief Executive Officer and Financial Director. Also, the Company incurred finance costs relating to interest on the other financial liabilities as disclosed in the Statement of Financial Position. These increased costs led to a R3.0 million earnings loss and increased loss per share of 0.34 cents compared to 0.27 cents at 31 August 2020.

Cash flow statement largely contains the negative cash from operating activities of R1.1 million which was covered by cash flows from financing activities of R1.1 million relating to cash raised to cover operating costs.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF MANTENGU FOR THE SIX MONTHS ENDED 31 AUGUST 2021

"The Directors
Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2196

23 May 2022

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE REPORT OF HISTORICAL FINANCIAL INFORMATION OF MANTENGU MINING LIMITED ("MANTENGU") FOR THE INTERIM PERIOD ENDED 31 AUGUST 2021

The definitions commencing on page 10 of the Circular to which this letter is attached apply *mutatis mutandis* to this report (unless specifically defined where used or the context indicates a contrary intention).

Introduction

At your request, and for the purposes of the Circular, we have reviewed the Historical Financial Information of Mantengu for the interim period ended 31 August 2021 presented in the Report of Historical Financial Information of Mantengu (collectively "Historical Financial Information").

The Historical Financial Information comprises the statements of financial position, the statements of profit or loss, the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the years/interim periods then ended, a summary of significant accounting policies and other explanatory notes (collectively "the Historical Financial Information"), as presented/included by reference in:

- *Annexure 5 to this Circular – "Reviewed interim financial results of Mantengu for the six months ended 31 August 2021"; and*
- *Paragraph 25 of this Circular,*

in compliance with IFRS and the JSE Listings Requirements.

HLB CMA South Africa Incorporated (hereinafter referred to as "HLB CMA") is the Independent Reporting Accountant on the Historical Financial Information.

Historical Financial Information for the Interim financial statements for the six months ended 31 August 2021 for Mantengu Mining Limited

We have reviewed the condensed consolidated financial statements of Mantengu, contained in **Annexure 5** to the Circular and incorporated by reference in paragraph 25 of the Circular, which comprise the condensed consolidated statement of financial position as at 31 August 2021 and the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six months ended, and selected explanatory notes.

Directors' Responsibility for the Historical Financial Information for the Interim financial statements for the six months ended 31 August 2021

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reporting Accountant's Responsibilities for the Historical Financial Information for the Interim financial statements for the six months ended 31 August 2021

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Reporting Accountant*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Mantengu Mining Limited for the six months ended 31 August 2021 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Jean-Andre du Toit CA(SA)

Director

Registered Auditor

Reporting Accountant Specialist (JSE)

On Behalf of HLB CMA South Africa Incorporated

(JSE accredited Reporting Accountant)

CMA Office and Conference Park

No. 2 Second Road

Halfway House, 1985"

HISTORICAL CONSOLIDATED FINANCIAL INFORMATION OF LANGPAN MINING CO AND ITS SUBSIDIARIES FOR THE TWO FINANCIAL YEARS ENDED 28 FEBRUARY 2021

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

as at 28 February

| | Note | Audited 2021 R | Audited 2020 R |
|-----------------------------------------------------|------|----------------------|----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 17 256 401 | - |
| Exploration for and evaluation of mineral resources | 4 | 92 200 000 | - |
| | | 109 456 401 | - |
| Current assets | | | |
| Trade and other receivables | 7 | 1 365 059 | 441 628 |
| Cash and cash equivalents | 8 | 5 428 495 | 3 116 751 |
| | | 6 793 554 | 3 558 379 |
| TOTAL ASSETS | | 116 249 955 | 3 558 379 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 9 | 48 391 083 | 165 |
| Accumulated loss | | (10 955 426) | (6 596 170) |
| | | 37 435 657 | 165 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Amounts owing to shareholders | 10 | 35 451 496 | - |
| Other financial liabilities | 11 | 27 748 503 | - |
| | | 63 199 999 | - |
| Current liabilities | | | |
| Other financial liabilities | 11 | 11 132 619 | 3 425 480 |
| Trade and other payables | 12 | 2 691 244 | 3 011 754 |
| Loan from group company | 9 | 1 092 058 | 3 705 277 |
| Current tax payable | | 698 378 | - |
| Bank overdraft | 7 | - | 12 038 |
| | | 15 614 299 | 10 154 549 |
| Total liabilities | | 78 814 298 | 10 154 549 |
| TOTAL EQUITY AND LIABILITIES | | 116 249 955 | 3 558 379 |

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the years ended 28 February 2021

| | Note | Audited 2021 R | Audited 2020 R |
|----------------------------------------------|------|----------------------|----------------------|
| Revenue | 14 | 14 528 888 | - |
| Cost of sales | | (11 688 689) | - |
| Gross profit (loss) | | 2 840 199 | - |
| Other operating income | 16 | 966 489 | - |
| Other operating expenses | | (6 678 568) | (2 412 980) |
| Operating profit (loss) | 17 | (2 871 880) | (2 412 980) |
| Investment income | 18 | 99 487 | 183 537 |
| Finance costs | 19 | (888 320) | (1 063 524) |
| Loss before taxation | | (3 660 713) | (3 292 967) |
| Taxation | | (698 378) | - |
| Total comprehensive loss for the year | | (4 359 091) | (3 292 967) |

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
for the years ended 28 February

| | Share capital R | Accumulated loss R | Total equity R |
|----------------------------------------------------------------------------------------------------|-----------------------|--------------------------|--------------------|
| Balance at 1 March 2020 | 165 | (6 596 335) | (6 596 170) |
| Loss for the year | - | (4 359 091) | (4 359 091) |
| Other comprehensive income | - | - | - |
| Total comprehensive loss for the year | - | (4 359 091) | (4 359 091) |
| Issue of shares | 48 390 918 | - | 48 390 918 |
| Total contributions by and distributions to owners of company recognised directly in equity | 48 390 918 | - | 48 390 918 |
| Balance at 28 February 2021 | 48 391 083 | (10 955 426) | 37 435 657 |

CONSOLIDATED STATEMENTS OF CASH FLOWS

for the years ended 28 February

| | Note | Audited 2021 R | Audited 2020 R |
|----------------------------------------------------|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Cash generated from (used in) operations | 21 | (711 208) | (195 095) |
| Interest income | | 99 487 | 183 537 |
| Finance costs | | (55 927) | 36 350 |
| Net cash from operating activities | | (667 648) | 24 792 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (872 619) | - |
| Net cash from investing activities | | (872 619) | - |
| Cash flows from financing activities | | | |
| Proceeds on share issue | 9 | 6 300 000 | 165 |
| Proceeds from loans from group company | | - | 96 295 |
| Repayment of proceeds from loan from group company | | (3 232 720) | - |
| Proceeds from other financial liabilities | | 1 696 770 | - |
| Repayment of loans from shareholders | | (900 001) | - |
| Net cash from financing activities | | 3 864 049 | 96 460 |
| Total cash movement for the year | | 2 323 782 | 121 252 |
| Cash at the beginning of the year | | 3 104 713 | 2 983 461 |
| Total cash at end of the year | 8 | 5 428 495 | 3 104 713 |

COMMENTARY

During the financial year, management took a decision to mine the LG seams and sell it to the market as ROM in order to raise cash to support its Proposed Acquisition activities and operating costs. The LG seams do not form part of the Competent Person's Report however, they have been mined before in the past.

The Company generated R14.5 million in revenue and a gross margin of R2.8 million. With operations restarting, operating costs increased to R6.7 million from site-related overhead costs which ultimately led to a R4.4 million total comprehensive loss for the year.

The loss increased the accumulated loss to R11.0 million bringing down total equity to R37.4 million.

The financial position reflects assets of R116.2 million which is made up of R109.5 million of PPE which is accounted for at cost (mining right and plant). In parallel with the Competent Person's Report approvals and the Proposed Acquisition, the Company intends to revalue these assets to be in line with fair values. Total liabilities of R78.8 million is largely made up of R63.2 million in loans mostly related to loans taken up as part of the acquisition of Memor Mining, the entity that holds the Mining Right.

Note 25 of the financial statements details a legal matter with ASB, the mining contractor that was assisting with the LG mining project, to the value of R18 million. The Company, supported by legal guidance, believes that the matter will be ruled in favour of the Company. Note 26 details the Company's progress on closing the funding the required to support the plant refurbishment and the future operating needs of the business.

1. Significant accounting policies

The financial statements for the year ended 28 February 2021 have been prepared on the going concern basis in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), and the requirements of the South African Companies Act 71 of 2008. The directors are satisfied that the group will be able to settle its obligations and realise its assets as measured in terms of IFRS as applicable to going concern.

1.1 Consolidation

Basis of consolidation

The consolidated financial statements comprise the financial statements of the group and its subsidiary.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Where necessary, adjustments are made to the financial statements to bring their accounting policies into line with those used by other members of the Group. The subsidiary has a reporting date of 28 February. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Non-controlling interests in the subsidiary are identified separately from the group's equity therein.

The interests of noncontrolling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial

recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributable to non-controlling interests even if this results in the non-controlling interest having a deficit.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the annual financial statements and the reported amounts of revenues and expenses during the reporting period based on management's best knowledge of current events and actions. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The directors are satisfied that the group will be able to settle its obligations and realise its assets as measured in terms of IFRS as applicable to judgements.

1.3 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting year.

When an item of property, plant and equipment is revalued, the gross carrying amount is adjusted consistently with the revaluation of the carrying amount. The accumulated depreciation at that date is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in profit or loss in the current year. The decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in the revaluation reserve in equity.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to retained income when the asset is derecognised.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to retained income as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset, net of deferred tax.

Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|---------------------|----------------------------|----------------------------|
| Computer equipment | Straight line | 3 years |
| Plant and equipment | Straight line | 5 years |
| Wash plant | Straight line | 5 years |

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition

of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Exploration for and evaluation of mineral resources

Exploration for and evaluation of mineral resources assets are recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Exploration for and evaluation of mineral resources assets are initially recognised at cost.

Exploration for and evaluation of mineral resources assets are carried at cost less any accumulated amortisation and any impairment losses.

Reassessing the useful life of an exploration for and evaluation of mineral resources asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the exploration for and evaluation of mineral resources assets, on a straight line basis, to their residual values as follows:

Mineral rights associated with production phase mineral interests are amortised over the life of mine using the units-of production method in order to match the amortisation with the expected underlying future cash flows. Mineral interests associated with development and exploration phase mineral interests are not amortised until such time as the underlying property is converted to the production stage.

1.5 Investment in subsidiary

Investment in subsidiary is carried at fair value with fair value changes recognised in other comprehensive income.

1.6 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows).

Financial liabilities:

- Amortised cost.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:

Loan to group company

Classification

The loan to group company (note 6) is classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The group recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 6).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the group becomes a party to the contractual provisions of the receivables.

They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Loan from group company, loans from shareholders and other financial liabilities

Classification

The loan from group company (note 9), loans from shareholders (note 10) and other financial liabilities (note 11) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Loan from group company, loans from shareholders and other financial liabilities are recognised when the group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 18).

Loan from group company, loans from shareholders and other financial liabilities expose the group to liquidity risk and interest rate risk. Refer to note 24 for details of risk exposure and management thereof.

Trade and other payables

Classification

Trade and other payables (note 12), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 18).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 24 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents are stated at amortised cost.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1.7 Tax

Current taxation

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxation

Deferred tax is recognised on temporary differences between the carrying amounts and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associated, and interest in joint ventures except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. Deferred tax for the period is to be recognised in profit and loss except to the extent that it relates to a transaction that is recognised directly in other comprehensive income or in equity, or a business combination that is an acquisition. The effect on deferred tax of any changes in the tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or to equity.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Tax expenses

Income tax expense recognised in profit or loss comprises the sum of deferred taxation and current taxation not recognised in other comprehensive income or directly in equity.

1.8 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a term of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group's if it is reasonable certain to assess the option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments

over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

The group has elected not to recognise a right-of-use asset and lease liability for all short-term leases with a lease term of 12 months or less and all low-value assets. The lease payments of these leases are recognised on a straight-line basis over the lease term.

1.9 Impairment of assets

An impairment loss recognised for an asset, other than goodwill, in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised and the recoverable amount exceeds the carrying amount. The reversal of the impairment is limited to the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. The reversal of such an impairment loss is recognised in profit or loss in the same line item as the original impairment charge.

1.10 Share capital and equity

Share capital represents the nominal value of shares that have been issued.

Any transaction cost associated with the issuing of shares is deducted from share capital net of any related income tax benefit.

Retained earnings include all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.11 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and / or services in the ordinary course of the company's activities. Revenue is shown net of value-added tax, returns, and discounts.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.12 Borrowing costs

Finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset, form part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. New Standards and Interpretations

At the date of approval of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the entity.

Management anticipates that all of the pronouncements will be adopted in the entity's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the entity's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the entity's annual financial statements.

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

| Standard/ Interpretation: | Effective date: Years beginning on or after | Expected impact: |
|------------------------------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------|
| - Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7 | 01 January 2020 | The impact of the amendment is not material. |
| - Definition of a business - Amendments to IFRS 3 | 01 January 2020 | The impact of the amendment is not material. |
| - Presentation of Financial Statements: Disclosure initiative | 01 January 2020 | The impact of the amendment is not material. |
| - Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative | 01 January 2020 | The impact of the amendment is not material. |

3. Property, plant and equipment

| 2021 | Cost | Accumulated depreciation | Carrying value |
|---------------------|-------------------|---------------------------------|-----------------------|
| Computer equipment | 24 143 | (2 460) | 21 683 |
| Plant and equipment | 17 234 918 | (200) | 17 234 718 |
| Total | 17 259 061 | (2 660) | 17 256 401 |

Reconciliation of property, plant and equipment

| | Opening balance | Additions | Depreciation | Total |
|---------------------|------------------------|-------------------|---------------------|-------------------|
| Computer equipment | - | 24 143 | (2 460) | 21 683 |
| Plant and equipment | - | 17 234 918 | (200) | 17 234 718 |
| | - | 17 259 061 | (2 660) | 17 256 401 |

Plant and equipment relates to the chrome wash plant that forms part of the asset base of Langpan. It is currently recorded at cost. Langpan has undertaken a major project to refurbish the plant to optimise its processing capabilities for MG run of mine which contains significant PGM content. Following the conclusion of the refurbishment, the Company intends on commissioning a valuation to determine updated value of the plant.

4. Exploration for and evaluation of mineral resources

| 2021 | Cost | Accumulated amortisation | Carrying value |
|----------------|-------------|---------------------------------|-----------------------|
| Mineral rights | 92 200 000 | - | 92 200 000 |

Reconciliation of exploration for and evaluation of mineral resources

| | Opening balance | Additions through business combinations | Total |
|----------------|------------------------|------------------------------------------------|--------------|
| Mineral rights | - | 92 200 000 | 92 200 000 |

Mineral rights amount is currently recorded at cost. On conclusion of the CPR and commencement of mining of the MG seams, the value of the mineral right will be revised to be in line with the CPR, with amortisation being recorded in line with mined tonnes over the life of mine.

5. Investment in subsidiary

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

| Name of company | % holding 2021 | % holding 2021 | Carrying amount 2021 |
|----------------------------------|-------------------|-------------------|-------------------------|
| Memor Mining Proprietary Limited | 100.00 | - | 92 200 000 |

6. Trade and other receivables

| | 2021 | 2020 |
|------------------------------------------|------------------|----------------|
| Financial instruments: | | |
| Trade receivables | 342 483 | - |
| Non-financial instruments: | | |
| VAT | 1 022 576 | 441 628 |
| Total trade and other receivables | 1 365 059 | 441 628 |

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

| | 2021 Estimated gross carrying amount at default | 2021 Loss allowance (Lifetime expected credit loss) |
|-----------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------|
| Expected credit loss rate: | | |
| Not past due | 342 483 | - |

7. Cash and cash equivalents

| | 2021 | 2020 |
|---------------------------------------|------------------|------------------|
| Cash and cash equivalents consist of: | | |
| Bank balances | 5 428 495 | 3 116 751 |
| Bank overdraft | - | (12 038) |
| | 5 428 495 | 3 104 713 |
| Current assets | 5 428 495 | 3 116 751 |
| Current liabilities | - | (12 038) |
| | 5 428 495 | 3 104 713 |

8. Share capital

| | | |
|---------------------------------------------------------|------------|-------|
| Authorised | | |
| 100 000 (2020: 4 000) authorised shares of no par value | 100 000 | 4 000 |
| Issued | | |
| 100 000 (2020: 165) authorised shares of no par value | 48 391 083 | 165 |

The Company issued shares as part of loan conversions to equity and also to raise working capital. During the year, the Company raised a total of R6.3 million in cash from share issuances.

9. Loan from group company

| | | |
|--------------------------------------|------------------|------------------|
| Mine Restoration Investments Limited | 1 092 058 | 3 705 277 |
| Memor Mining Proprietary Limited | - | - |
| | 1 092 058 | 3 705 277 |

The MRI loan is a related party loan entered into in September 2018 repayable within 12 months from the advance date. The loan is unsecured and bears interest at prime plus 8%. Should it not be repaid within the period, the default interest increases to Prime plus 12%.

10. Amounts owing to shareholders

| | | |
|-------------------------------------|-------------------|----------|
| Andru Proprietary Limited | 12 275 449 | - |
| Batcor Proprietary Limited | 11 784 431 | - |
| Memor Piet Human | 1 571 257 | - |
| Simeka Holdings Proprietary Limited | 9 820 359 | - |
| | 35 451 496 | - |

Langpan acquired Memor to take control of its chrome and platinum mining right on the farm Langpan 371KQ. As part of the acquisition, Memor entered into a creditor compromise with the creditors of Memor which resulted in i.) the creditor amounts being, acquiring no interest and ii.) the creditors waiving any right to legal recourse whilst the operations are ongoing. The creditor compromise value effectively formed the majority of the acquisition price. The acquisition of Memor affords Langpan the ability to control the mining operations to generate sufficient cash to settle the creditors and make a return on the investment.

Batcor Plant Hire Proprietary Limited (“Batcor”)

As part of the Creditor Compromise arrangement that was entered into on the acquisition of Memor Mining, the creditors put forward the amounts that they believed were due to them by Memor Mining. As part of the process of compiling these financials, all the creditors were requested to provide the following supporting documents:

1. Tax Invoices issued to Memor Mining
2. Proof of underlying services having been rendered.

All creditors except Batcor were able to prove and support their claims. Management has reached out on numerous occasions to Batcor to provide the required support either to management or directly to the auditors to substantiate their claim of R12 million.

Management has reason to believe that Batcor's claims may not be justifiable and is currently pursuing a process to confirm that. Given the uncertainty around their claims, management will assess their claim amount at the end of the coming financial year at which point, there should be clarity and certainty around their claim.

11. Other financial liabilities

| | 2021 R | 2020 R |
|------------------------------------------------|-------------------|------------------|
| Held at amortised cost | | |
| Metorient Proprietary Limited | 27 748 503 | - |
| Kianalily Proprietary Limited | 590 500 | 590 500 |
| Gillian Family Trust* | 3 013 419 | 2 819 980 |
| United Minerals and Energy Proprietary Limited | 15 000 | 15 000 |
| Palugen Proprietary Limited | 318 181 | - |
| Scott Gaskell | 90 901 | - |
| REM 776 Waterfall (EPCM) | 1 706 618 | - |
| Liability relating to Memor Acquisition | 2 100 000 | - |
| Stratore | 3 280 000 | - |
| | 38 881 122 | 3 425 480 |

As a condition to the acquisition of Memor an agreement was reached with the creditors to quantify and freeze their claims and interest against Memor and allow Langpan to operate the asset with a significant part of the proceeds from any sale of chrome being dedicated towards settling the amounts owed to such creditors. The creditors of Memor party to the compromise agreement are Andru Proprietary Limited, Batcor Proprietary Limited, Metorient Proprietary Limited, Piet Human and Simeka Holdings Proprietary Limited.

* This loan was used to back the Rehabilitation Guarantee. It is a payable upon the replacement of the guarantee and earns interest at prime rate.

12. Trade and other payables

Financial instruments:

| | | |
|----------------|-----------|-----------|
| Trade payables | 1 771 681 | 3 011 754 |
|----------------|-----------|-----------|

Non-financial instruments:

| | | |
|-----|------------------|------------------|
| VAT | 919 563 | - |
| | <u>2 691 244</u> | <u>3 011 754</u> |

13. Revenue**Revenue from sale of chrome**

| | | |
|---------------|-------------------|---|
| Sale of goods | <u>14 528 888</u> | - |
|---------------|-------------------|---|

14. Cost of sales

| | | |
|---------------|-------------------|---|
| Sale of goods | <u>11 688 689</u> | - |
|---------------|-------------------|---|

Refer to note 25 contingencies.

15. Other operating income

| | 2021 | 2020 |
|--------------|----------------|-------------|
| | R | R |
| Other income | <u>966 489</u> | - |

16. Operating profit (loss)

Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:

Leases**Operating lease charges**

| | | |
|----------|----------------|---|
| Premises | <u>682 300</u> | - |
|----------|----------------|---|

Depreciation

| | | |
|-----------------------------------------------|--------------|--------------|
| Depreciation of property, plant and equipment | <u>2 660</u> | <u>2 660</u> |
|-----------------------------------------------|--------------|--------------|

17. Investment income**Interest income**

| | | |
|---------------------|---------------|----------------|
| Bank and other cash | <u>99 487</u> | <u>183 537</u> |
|---------------------|---------------|----------------|

18. Finance costs

| | | |
|---------------------|----------------|------------------|
| Other interest paid | <u>888 320</u> | <u>1 063 524</u> |
|---------------------|----------------|------------------|

19. Taxation**Major components of the tax expense****Current**

| | | |
|-----------------------------------|----------------|---|
| Local income tax – current period | <u>698,378</u> | - |
|-----------------------------------|----------------|---|

Reconciliation of the tax expense

Reconciliation between accounting loss and tax expense.

| | | |
|---------------------------------------|-------------|-------------|
| Accounting loss | (3 660 713) | (3 292 967) |
| Tax at the applicable tax rate of 28% | (1 025 000) | (922 031) |

Tax effect of adjustments on taxable income

| | | |
|---------------------------------|----------------|----------|
| Assessed losses carried forward | 1 723 378 | 922 031 |
| | <u>698 378</u> | <u>-</u> |

The R698,378 relates to income tax due from Memor as it generated a tax profit. Langpan continued to generate an assessed loss thus, on a group basis, the amount is in a loss position.

20. Cash generated from (used in) operations

| | 2021 R | 2020 R |
|-----------------------------------------|------------------|------------------|
| Loss before taxation | (3 660 713) | (3 292 967) |
| Adjustments for: | | |
| Depreciation | 2 660 | - |
| Interest income | (99 487) | (183 537) |
| Finance costs | 888 320 | 1 063 524 |
| Changes in working capital: | | |
| Movement in trade and other receivables | (1 434 480) | (353 566) |
| Trade and other payables | 3 592 492 | 2 570 451 |
| | <u>(711 208)</u> | <u>(195 095)</u> |

21. Tax refunded

| | | |
|-------------------------------------------------------|-----------|----------|
| Current tax for the year recognised in profit or loss | (698 378) | - |
| Balance at end of the year | 698 378 | - |
| | <u>-</u> | <u>-</u> |

22. Business combinations

Langpan acquired Memor to take control of its chrome and platinum mining right on the farm Langpan 371KQ. As part of the acquisition, Memor entered into a creditor compromise with the creditors of Memor which resulted in i.) the creditor amounts being fixed, accruing no interest and ii.) the creditors waiving any right to legal recourse whilst the operations are ongoing. The creditor compromise value effectively formed the majority of the acquisition price. The acquisition of Memor affords Langpan the ability to control the mining operations to generate sufficient cash to settle the Memor creditors and make a return on the investment.

Langpan entered into a share purchase agreement with the shareholders of Memor for Langpan to acquire 100% of the issued share capital of Memor.

The share purchase consideration is R2.1 million but payment to the Memor shareholders is deferred until the creditors of Memor have been paid in full in terms of the compromise agreement entered into between Memor and such creditors.

Aggregated business combinations

| | |
|-----------------------------------------------------|-------------------------|
| Exploration for and evaluation of mineral resources | 92 200 000 |
| Amounts payable to creditors | <u>(90 100 000)</u> |
| Total identifiable net assets | <u>2 100 000</u> |
| | <u>2 100 000</u> |

23. Related parties

| | 2021 R | 2020 R |
|--|-----------|-----------|
|--|-----------|-----------|

Relationships

| | |
|--------------|----------------------------------|
| Shareholders | Refer to note 11 |
| Subsidiary | Memor Mining Proprietary Limited |

Related party balances

Loan accounts – Owing (to) by related parties

| | | |
|--------------------------------------|---------------------------|---------------------------|
| Memor Mining Proprietary Limited | - | - |
| Mine Restoration Investments Limited | <u>(1 092 058)</u> | <u>(3 705 277)</u> |
| | <u>(1 092 058)</u> | <u>(3 705 277)</u> |

24. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2021

| | Notes | Amortised cost | Total | Fair value |
|-----------------------------|-------|-------------------------|-------------------------|-------------------------|
| Trade and other receivables | 6 | 342 483 | 342 483 | 342 483 |
| Cash and cash equivalents | 7 | 5 428 495 | 5 428 495 | 5 428 495 |
| | | <u>5 770 978</u> | <u>5 770 978</u> | <u>5 770 978</u> |

Categories of financial liabilities

Group - 2021

| | Notes | Amortised cost | Total | Fair value |
|-----------------------------|-------|--------------------------|--------------------------|--------------------------|
| Trade and other payables | 12 | 1 771 680 | 1 771 680 | 1 771 680 |
| Loan from group company | 9 | 1 092 058 | 1 092 058 | 1 092 058 |
| Loans from shareholders | 10 | 35 451 496 | 35 451 496 | 35 451 496 |
| Other financial liabilities | 11 | 38 881 122 | 38 881 122 | 38 881 122 |
| | | <u>77 196 356</u> | <u>77 196 356</u> | <u>77 196 356</u> |

Pre tax gains and losses on financial instruments

Gains and losses on financial assets

Group - 2021

| | Notes | Amortised cost | Total |
|--------------------------------------|-------|----------------|--------|
| Recognised in profit or loss: | | | |
| Interest income | 17 | 99 487 | 99 487 |

Gains and losses on financial liabilities

Group - 2021

| | Notes | Amortised cost | Total |
|--------------------------------------|-------|----------------|-----------|
| Recognised in profit or loss: | | | |
| Finance costs | 18 | (888 320) | (888 320) |

Capital risk management

The group's capital management objectives are to ensure the group's ability to continue as a going concern and to provide an adequate return to shareholders from the capital projects in chrome mining industry. The group monitors capital through the optimization of the debt and equity balance. The capital structure of the group consists of borrowings and equity. The directors review capital structure on a regular basis. As part of these reviews the costs of capital and the risk associated with each class of capital is considered.

Financial risk management

Credit risk

Credit risk is managed on a group basis. The group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

| | Notes | Gross carrying amount | Credit loss allowance | Amortised cost / fair value |
|-----------------------------|-------|-----------------------|-----------------------|-----------------------------|
| Trade and other receivables | 6 | 342 483 | - | 342 483 |
| Cash and cash equivalents | 7 | 5 428 495 | - | 5 428 495 |
| | | 5 770 978 | - | 5 770 978 |

Liquidity risk

Ultimate responsibility for liquidity risk management is with management, which has established an appropriate framework for the management of the group's requirements. The group manages liquidity risk by continuously monitoring forecasts and actual cash flows.

Group - 2021

| | Notes | Less than 1 year | 1 to 2 Years | Total / Carrying amount |
|--------------------------------|-------|------------------|--------------|-------------------------|
| Non-current liabilities | | | | |
| Amounts owing to shareholders | 10 | - | 35 451 496 | 35 451 496 |
| Other financial liabilities | 11 | - | 27 748 503 | 27 748 503 |
| Current liabilities | | | | |
| Trade and other payables | 12 | 1 771 680 | - | 1 771 680 |

| | | | | |
|-----------------------------|----|-------------------|-------------------|-------------------|
| Loan from group company | 9 | 1 092 058 | - | 1 092 058 |
| Other financial liabilities | 11 | 11 132 619 | - | 11 132 619 |
| | | 13 996 357 | 63 199 999 | 77 196 356 |

Interest rate risk

The group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. During the year, the group's borrowings at variable rate were denominated in the Rand.

At 28 February 2021, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post tax loss for the year would have been R12 300 (2020: R -) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

25. Contingencies

Memor Mining and ASB Minerals are currently in a legal dispute over the R18 million costs claimed by ASB to Memor relating to mining costs at Langpan.

Memor had contracted with ASB to provide contract mining services with ASB required to meet certain production targets. In the process of reviewing their costs against production, there were material discrepancies noted that ultimately led to this dispute.

Memor Mining has appointed Dev Maharaj and Associates Inc as its attorney and, in turn, Anzel Vorster and Nazeer Cassim SC (both of Maisels Chambers, Sandton) as counsel. Part of the brief includes supporting Memor in its intention to counterclaim to the total R69 million for the under-spec product delivered as well as the opportunity cost of lost chrome due to poor mining practices.

It is management's view, supported by its appointed counsel, that based on the merits of the case put forward by Memor, it is improbable that Memor will have to settle the balance. As such, management believes it sufficient to disclose as contingent liability which is unlikely to realise.

26. Events after the reporting period

On the 6 December 2021, Langpan received Section 11 mining right confirmation from the Department of Minerals and Energy (DMRE) confirming the ceding of the entire share capital of the mining right held by Memor Mining (Pty) Ltd to Langpan Mining Co (Pty) Ltd which confirms Langpan's ownership of the mining right.

Langpan has received a term sheet from the Industrial Development Corporation (IDC) to fund the refurbishment of the plant and the working capital to support the mining start-up. Due diligence has been completed and management is in the process of reviewing and finalising legal agreements to give effect to the loan with the target of completing the process early in the coming year, 2022.

Lastly, Langpan is in the process of concluding a forward-sale agreement with German-based RWE Supply & Trading GmbH ("RWE") that would see RWE become an off-taker of the material produced from Langpan mine. Management expects final agreements to be concluded in early 2022.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

**REVIEWED INTERIM FINANCIAL RESULTS OF LANGPAN MINING CO FOR SIX MONTHS ENDED
31 AUGUST 2021**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
as at 31 August 2021

| | Reviewed 6-months to 31 Aug 2021 R'000 | Unaudited 6-months to 31 Aug 2020 R'000 |
|-----------------------------------------------------|-------------------------------------------------|--------------------------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 17 618 | 16 500 |
| Exploration for and evaluation of mineral resources | 92 200 | 92 200 |
| | 109 818 | 108 700 |
| Current assets | | |
| Short-Term Loan | 7 | - |
| Trade and other receivables | 1 796 | 3 031 |
| Cash and cash equivalents | 3 216 | 3 406 |
| | 5 019 | 6 437 |
| TOTAL ASSETS | 114 837 | 115 137 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Amounts attributable to equity holders | 35 818 | 32 477 |
| | 35 818 | 32 477 |
| Liabilities | | |
| Non-current liabilities | | |
| Amounts owing to shareholders | 35 451 | 35 451 |
| Other financial liabilities | 28 180 | 27 749 |
| | 63 631 | 63 200 |
| Current liabilities | | |
| Other financial liabilities | 9 104 | 6 484 |
| Trade and other payables | 5 586 | 8 928 |
| Loan from group company | - | 4 048 |
| Taxation | 698 | - |
| | 15 388 | 19 460 |
| Total LIABILITIES | 79 019 | 86 660 |
| TOTAL EQUITY AND LIABILITIES | 114 837 | 115 137 |

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the six months period ended 31 August 2021

| | Reviewed 6-months to Aug 2021 R'000 | Unaudited 6-months to Aug 2020 R'000 |
|----------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|
| Revenue | 1 481 | 5 000 |
| Cost of sales | (3 420) | (5 618) |
| Gross profit (loss) | (1 939) | (618) |
| Other operating income | 44 | 56 |
| Admin and operating expenses | (3 884) | (2 045) |
| Operating profit (loss) | (5 779) | (2 607) |
| Finance costs | (238) | (411) |
| Loss before taxation | (6 017) | (3 018) |
| Taxation | - | - |
| Total comprehensive loss for the year | (6 017) | (3 018) |

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
for the six months period ended 31 August 2021

| | Share capital R | Accumulated loss R | Total equity R |
|---------------------------------------------------|--------------------------------|-------------------------------|---------------------------|
| Balance at 1 March 2020 | - | (6 596) | (6 596) |
| Total comprehensive loss for the period | - | (3 018) | (3 018) |
| Total contributions by and distribution to owners | 42 091 | - | 42 091 |
| Balance at 31 August 2020 | 42 091 | (9 614) | (32 477) |
| Total comprehensive loss for the period | - | (1 341) | (1 341) |
| Total contributions by and distribution to owners | 6 300 | - | 6 300 |
| Balance at 28 February 2021 | 48 391 | (10 955) | 37 436 |
| Total comprehensive loss for the period | - | (6 098) | (6 098) |
| Total contributions by and distribution to owners | 4 480 | - | 4 480 |
| Balance at 31 August 2021 | 52 871 | (17 053) | 35 818 |

CONSOLIDATED STATEMENTS OF CASH FLOWS

for the six months period ended 31 August 2021

| | Reviewed 6-months to Aug 2021 R'000 | Unaudited 6-months to Aug 2020 R'000 |
|---------------------------------------------|----------------------------------------------|-----------------------------------------------|
| Cash flows from operating activities | (3 604) | 1 201 |
| Cash flows from investing activities | (391) | (872) |
| Cash flows from financing activities | 1 782 | (900) |
| Total cash movement for the year | (2 213) | 301 |
| Cash at the beginning of the year | 5 429 | 2 983 461 |
| Total cash at end of the year | 3 216 | 3 104 713 |

COMMENTARY

During the period under review, Langpan continued with a strategy to generate revenue from mining LGs and selling it as run-of-mine while it looked to advance its funding initiatives to progress the plant refurbishment. Revenue of R1.4 million was generated but the company incurred an operating loss of R1.9 million due to product quality variability which ultimately led to a management decision to pause the operation and focus on progressing the Proposed Acquisition and closing funding lines.

Though the company incurred a total comprehensive loss of R6.0 million largely due to the operating loss and higher administrative costs, total assets continued to exceed total liabilities by R35.8 million.

Cash flows from operating activities were negative R3.6 million largely owing to the production challenges described, the impact of which was offset by R1.8 million cash raised through financing activities some of which included sale of shares.

1. Basis of Preparation

These condensed reviewed interim financial results have been prepared in accordance with IAS 34 – Interim Financial Reporting, the framework concepts and the recognition requirements of International Financial Reporting Standards (“IFRS”), the South African Institute of Chartered Accountants (“SAICA”) Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, International Financial Reporting Interpretations Committee (“IFRIC”) and the requirements of the South African Companies Act (Act 71 of 2008), as amended, and the Listings Requirements of the JSE Limited (“JSE”).

The interim results have been prepared using accounting policies that comply with IFRS and which are consistent with those applied in the preparation of the audited financial statements for the year ended 28 February 2021.

Notwithstanding the insolvency of the company and the fact that it has limited activity, the directors are satisfied that the company will still be able to settle its obligations and realise its assets as measured in terms of IFRS as applicable to going concern.

2. Financial Results and Future Prospects

The group owns the plant and the mining rights in relation to the chrome and platinum mining and associated beneficiation operations on the Langpan 371KQ farm in Limpopo Province.

The board of directors has satisfied themselves that the group is able to continue as a going concern and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

3. Changes in Share Capital

There have been no changes in issued share capital since the last reporting period.

4. Other Financial Liabilities

As a condition to the acquisition of Memor Mining Proprietary Limited ('Memor') an agreement was reached with the creditors to quantify and freeze their claims and interest against Memor and allow the company to operate the asset with a significant part of the proceeds from any sale of chrome being dedicated towards settling the amounts owed to such creditors. The creditors of Memor party to the creditor compromise agreement are Andru Proprietary Limited, Batcor Proprietary Limited, Metorient Proprietary Limited, Letlapa Crushers/GM de Beer, Petrus Johannes Human and Simeka Holdings Proprietary Limited.

5. Changes to the Board

There were no changes to the Board of Directors during the period under review.

6. Events after the End of the Reporting Period

On 06 December 2021, the company received Section 11 mining right confirmation from the Department of Minerals and Energy (DMRE) confirming the ceding of the entire share capital of the mining right held by Memor to the company which confirms the company's ownership of the mining right.

The company has received a term sheet from the Industrial Development Corporation (IDC) to fund the refurbishment of the plant and the working capital to support the mining start-up. Due diligence has been completed and management is in the process of reviewing and finalising legal agreements to give effect to the loan with the target of completing the process early in 2022.

The company is in the process of concluding a forward-sale agreement with German-based RWE Supply & Trading GmbH ("RWE") that would see RWE become an off-taker of the material produced from Langpan mine. Management expects the final agreements to be concluded in early 2022.

During March 2022, the company concluded debt-to-equity conversions with two key creditors that are part of the creditor compromise agreement – MetOrient and ANDRU (Pty) Ltd. MetOrient converted R9.39m of the R13.75m amount owed to them in exchange for 1,708 shares in Langpan. ANDRU converted R8.38m of the R12.26m amount owed for 1,524 shares in Langpan. The conversions reduce the company's liabilities by a total of R17.7m.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

7. Going Concern

The interim results have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business.

Notwithstanding the insolvency of the company and the fact that the company has limited activity, the directors are of the opinion that the company will be able to meet all its obligations and realise its assets as measured in terms of IFRS.

The board of directors has a reasonable expectation, having regard to the current status and the future strategy of the company, that the company will have sufficient resources to continue as a going concern and have therefore concluded that it is appropriate to prepare the interim results on a going concern basis.

Accordingly, the reviewed interim results do not include the adjustments that would result if the company was unable to continue as a going concern.

8. Dividends

No dividend was declared for the interim financial period ended 31 August 2021 (28 February 2021: Nil).

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF LANGPAN MINING CO FOR THE TWO FINANCIAL YEARS ENDED 28 FEBRUARY 2021 AND 2020 AND THE SIX MONTHS ENDED 31 AUGUST 2021

"The Directors
Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2196

23 May 2022

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE REPORT OF HISTORICAL FINANCIAL INFORMATION OF LANGPAN MINING CO PROPRIETARY LIMITED ("LANGPAN") FOR THE TWO FINANCIAL YEARS ENDED 28 FEBRUARY 2021 AND 2020 AND FOR THE INTERIM PERIOD ENDED 31 AUGUST 2021

The definitions commencing on page 10 of the Circular to which this letter is attached apply *mutatis mutandis* to this report (unless specifically defined where used or the context indicates a contrary intention).

Introduction

At your request, and for the purposes of the Circular, we have audited the Historical Financial Information of Langpan for the year-ended 28 February 2021 and reviewed the Historical Financial Information of Langpan for the year-ended 28 February 2020 and for the interim period ended 31 August 2021 presented in the Report of Historical Financial Information of Langpan (collectively "Historical Financial Information").

The Historical Financial Information comprises the statements of financial position, the statements of profit or loss, the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the years/interim periods then ended, a summary of significant accounting policies and other explanatory notes (collectively "the Historical Financial Information"), as presented in:

- *Annexure 7 to this Circular – "Historical Financial Information of Langpan Mining Co for the two financial years ended 28 February 2021"; and*
- *Annexure 8 to this Circular - "Reviewed interim financial results of Langpan Mining Co for the six months ended 31 August 2021,*

in compliance with IFRS and the JSE Listings Requirements.

HLB CMA South Africa Incorporated (hereinafter referred to as "HLB CMA") is the Independent Reporting Accountant on the Historical Financial Information.

Part A – Historical Financial Information for the year-ended 28 February 2021

Unqualified Opinion on the Historical Financial Information for the year-ended 28 February 2021

In our opinion, the Historical Financial Information for the year-ended 28 February 2021, as set out in **Annexure 7** to the Circular, presents fairly, in all material respects, for the purpose of the Circular, the financial position of Langpan as at 28 February 2021 and its financial performance and cash flows for the year then ended in accordance with IFRS and the JSE Listings Requirements.

Basis for Unqualified Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISA’s”). Our responsibilities under those standards are further described in the *Independent Reporting Accountant’s Responsibilities for the Historical Financial Information for the year-ended 28 February 2021* section of our report. We are independent of Langpan in accordance with the Independent Regulatory Board for Auditors’ Code of *Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of Financial Statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion on the Historical Financial Information for the year-ended 28 February 2021.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Historical Financial Information for the year-ended 28 February 2021. These matters were addressed in the context of our audit of the Historical Financial Information for the year-ended 28 February 2021 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How the matter was addressed in our audit |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. The consolidated Financial Statements of Langpan was audited and reported on by the external auditors of Langpan. Our audit approach involved a hybrid of reliance on the work conducted by these auditors as well as conducting audit work/procedures on specific sections of the accounting records presumed or assessed to be of a high risk in it’s qualitative and/or quantitative nature.</p> | <p>1. As part of our Audit approach, consideration was given to ISA600 <i>Special considerations – Audits of Group Financial Statements</i> and HLB CMA conducted in-depth review of the audit file, prepared by and in collaboration with, the external auditors of Langpan. We have reperformed numerous audit procedures conducted by the external auditors, conducted our unique planning and risk assessment sections and in addition audited certain sections independently from the external auditors. These procedures are based on our tailored approach in order to satisfy ourselves with reasonable assurance that the Annual Financial Statements for the year ended 28 February 2021 are free of material misstatement.</p> |
| <p>2. Significant related party transaction occurred during the period under review which was outside the ordinary course of business. Langpan acquired a 100% shareholding in Memor Mining</p> | <p>2. The engagement team included individuals with experience in and knowledge of legal agreements, acquisitions and valuation methodologies, and specific procedures were conducted to reperform calculations used in the underlying accounting records and to</p> |

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Proprietary Limited, a company holding the mining rights in relation to the Chrome and PGM mining operations on the Langpan 371KQ farm in Limpopo Province. The transaction formed part of a series of transactions which inter alia incorporated a compromise agreement with creditors and cession agreement of certain creditors' debt.</p> | <p>conduct interrogation of the substance over legal form and an in-depth review of the series of agreements and their respective objectives and consequences. Specific reconciliations of debt assumed and share capital/equity movement was performed as part of our audit procedures. In addition, compliance with the Companies Act was confirmed given the extent of the series of transactions. Tax consequences as a result of the compromise agreement were considered.</p> |
| <p>3. Impairment consideration of the core business asset in the consolidated annual financial statements was required (being the exploration for and evaluation of mineral resources intangible asset) as it is a significant material asset not currently in effective use and could not be agreed to a cost equivalent.</p> | <p>3. Specific procedures to test the value of the mining right was considered and a Competent Person's Report (CPR) approved by the JSE, were inspected, and provided for a valuation range of the mining asset between R153 million and R1,007 million. This was used as a basis for our conclusion that the asset is not subject to impairment and the CPR confirms the existence of this asset even though a right to mine remains merely an intangible asset.</p> |
| <p>4. COVID-19 effect on audit communication with management and those charged with governance.</p> | <p>4. By utilisation of technology for data transfers and alternative methods of communication for meetings, the audit was conducted remotely. Where physical presence at the audit client influenced the ability to obtain reasonable assurance with regards to certain assertions, alternative approaches were designed to obtain such reasonable assurance.</p> |

Responsibilities of the Directors of Mantengu Mining Limited (hereinafter referred to as Mantengu) and the Directors of Langpan for the Historical Financial Information for the year-ended 31 February 2021

The Directors of Mantengu are responsible for the compilation, contents and preparation of the Circular including the Historical Financial Information for the year-ended 28 February 2021 in accordance with the JSE Listings Requirements.

The directors of Langpan are responsible for the preparation and fair presentation of Langpan's Consolidated Financial Statements for the year-ended 28 February 2021 in accordance with IFRS, and for such internal control as the directors of Langpan determine is necessary to enable the preparation of the Langpan Consolidated Financial Statements in terms of IFRS for the year-ended 28 February 2021 that is free from material misstatement, whether due to fraud or error.

The directors of Mantengu are responsible for the preparation and fair presentation of the Historical Financial Information for the year-ended 28 February 2021 in accordance with IFRS and the JSE Listings Requirements, and for such internal control as the directors of Mantengu determine is necessary to enable the preparation of Historical Financial Information for the year-ended 28 February 2021 that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Financial Information for the year-ended 28 February 2021, the directors of Langpan are responsible for assessing Langpan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of Langpan either intend to liquidate Langpan or to cease operations, or have no realistic alternative but to do so.

Independent Reporting Accountant's Responsibilities for the Historical Financial Information for the year-ended 28 February 2021

Our objectives are to obtain reasonable assurance about whether the Historical Financial Information for the year-ended 28 February 2021 is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Historical Financial Information for the year-ended 28 February 2021.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Historical Financial Information for the year ended 28 February 2021, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Langpan's internal control.
- Conclude on the appropriateness of the directors of Langpan's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Langpan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent reporting accountant's report to the related disclosures in the Historical Financial Information for the year ended 28 February 2021 or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent reporting accountant's report. However, future events or conditions may cause Langpan to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Historical Financial Information for the year-ended 28 February 2021, including the disclosures, and whether the Historical Financial Information for the year-ended 28 February 2021 represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within Langpan to express an opinion on the Historical Financial Information for the year-ended 28 February 2021. We are responsible for the direction, supervision, and performance of the Langpan audit. We remain solely responsible for our audit opinion. We communicate with the Directors of Mantengu and the directors of Langpan regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Directors of Mantengu and the directors of Langpan, we determine those matters that were of most significance in the audit of the Historical Financial Information of the current period and are therefore the key audit matters. We describe these matters in our independent reporting accountant's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Part B – Historical Financial Information for the year-ended 28 February 2020

Responsibilities of the Directors of Mantengu and the directors of Langpan for the Historical Financial Information for the year-ended 28 February 2020

The directors of Mantengu are responsible for the compilation, contents and preparation of the Circular including the Historical Financial Information for the year-ended 28 February 2020 in accordance with IFRS and the JSE Listings Requirements.

The directors of Langpan are responsible for the preparation and fair presentation of the Langpan Consolidated Financial Statements for the year-ended 28 February 2020 in accordance with IFRS, and for such internal control as the directors of Langpan determine is necessary to enable the preparation of Langpan's Consolidated Financial Statements in terms of IFRS for the year-ended 28 February 2020 that is free from material misstatement, whether due to fraud or error.

The directors of Mantengu are responsible for the preparation and fair presentation of the Historical Financial Information for the year-ended 28 February 2020 in accordance with the IFRS and the JSE Listing Requirements, and for such internal control as the Directors determine is necessary to enable the preparation of Historical Financial Information for the year-ended 28 February 2020 that is free from material misstatement, whether due to fraud or error.

Independent Reporting Accountant's Responsibilities for the Historical Financial Information for the year-ended 28 February 2020

Our responsibility is to express review conclusions on the Historical Financial Information for the year-ended 28 February 2020 based on our reviews in accordance with International Standard on Review Engagements ISRE 2400 (Revised), which applies to a review of Historical Financial Information. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the Historical Financial Information for the year-ended 28 February 2020, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

Scope of review

A review of the Historical Financial Information for the year-ended 28 February 2020 in accordance with ISRE 2400 (Revised) is a limited assurance engagement in terms of which we perform procedures, primarily consisting of making enquiries of management and other within the entity, as appropriate, and applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the Historical Financial Information for the year-ended 28 February 2020.

Conclusion on the Historical Financial Information for the year-ended 28 February 2020

Based on our reviews, nothing has come to our attention that causes us to believe that the Historical Financial Information for the year-ended 28 February 2020, as set out in **Annexure 7** to the Circular is not prepared, in all material respects, in accordance with IFRS and the JSE Listings Requirements.

Part C – Historical Financial Information for the Interim financial statements for the six months ended 31 August 2021 for Langpan Mining Co Proprietary Limited

We have reviewed the condensed consolidated financial statements of Langpan, contained in **Annexure 8** to the Circular, which comprise the condensed consolidated statement of financial position as at 31 August 2021 and the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six months ended, and selected explanatory notes.

Directors' Responsibility for the Historical Financial Information for the Interim financial statements for the six months ended 31 August 2021

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*,

the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reporting Accountant's Responsibilities for the Historical Financial Information for the Interim financial statements for the six months ended 31 August 2021

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Reporting Accountant*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Langpan Mining Co Proprietary Limited for the six months ended 31 August 2021 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Jean-Andre du Toit CA(SA)

Director

Registered Auditor

Reporting Accountant Specialist (JSE)

On Behalf of HLB CMA South Africa Incorporated

(JSE accredited Reporting Accountant)

CMA Office and Conference Park

No. 2 Second Road

Halfway House, 1985"

FORECAST AND ESTIMATE FINANCIAL INFORMATION OF THE MANTENGU GROUP

Set out below are the forecast statements of comprehensive income for the combined Group (“**Forecasts**”) for the years ending 28 February 2022, 2023 and 2024 (“**Forecast Periods**”).

The Forecasts, including the assumptions on which they are based and the financial information from which they are prepared, are the responsibility of the directors of Mantengu. The Forecasts must be read in conjunction with the independent Reporting Accountant’s assurance report thereon which is presented in **Annexure 11**.

The Forecasts have been compiled in full compliance with Mantengu’s IFRS accounting policies and the JSE Listings Requirements.

| (R'000) | FY22 Estimate | | | | FY23 Forecast³ | | | | FY24 Forecast⁸ | | | |
|-----------------------------------------------------|----------------------|--------------------------|-------------------------------------------|-----------------------|----------------------------------|--------------------------------------|-------------------------------------------|-----------------------|----------------------------------|--------------------------------------|-------------------------------------------|-----------------------|
| | Mantengu | Langpan Mining Co | Elimination adjustment² | Mantengu Group | Mantengu | Langpan Mining Co¹ | Elimination adjustment² | Mantengu Group | Mantengu | Langpan Mining Co¹ | Elimination adjustment² | Mantengu Group |
| Chrome Sales | - | 1 481 | - | 1 481 | - | 157 841 | - | 157 841 | - | 383 756 | - | 383 756 |
| PGM Sales | - | - | - | - | - | 39 569 | - | 39 569 | - | 211 284 | - | 211 284 |
| Royalties | - | - | - | - | - | (5 877) | - | (5 877) | - | (25 773) | - | (25 773) |
| Other Revenue | - | - | - | - | 12 660 | - | (12 660) | - | 12 660 | - | (12 660) | - |
| Total Revenue | - | 1 481 | - | 1 481 | 12 660 | 191 533³ | (12 660) | 191 533 | 12 600 | 569 267³ | (12 660) | 569 267 |
| Mining Costs | - | (5 090) | - | (5 090) | - | (123 577) | - | (123 577) | - | (274 355) | - | (274 355) |
| Plant and Processing Costs | - | - | - | - | - | (22 206) | - | (22 206) | - | (34 871) | - | (34 871) |
| Other Operating Costs | - | - | - | - | - | (1 807) | - | (1 807) | - | (4 490) | - | (4 490) |
| Cost of Sales | - | (5 090) | - | (5 090) | 0 | (147 590)³ | 0 | (147 590) | 0 | (313 715)³ | 0 | (313 715) |
| Operating Profit / (Loss) | - | (3 609) | - | (3 609) | 12 660 | 43 943 | (12 660) | 43 943 | 12 660 | 255 551 | (12 660) | 255 551 |
| Other Income | 355 | 87 | - | 442 | - | - | - | - | - | - | - | - |
| Depreciation | - | (3) | - | (3) | - | (60 723) ⁴ | - | (60 723) | - | (88 140) ⁴ | - | (88 140) |
| Admin & Other Expenses | (4 541) | (9 419) | - | (12 309) | (12 660) | (15 994) ⁵ | 12 660 | (15 994) | (12 660) | (18 922) ⁵ | 12 660 | (18 922) |
| Finance Costs | (2 952) | (475) | - | (3 427) | (3 175) | (1 373) ⁶ | - | (4 548) | (2 151) | (2 820) ⁶ | - | (4 970) |
| Profit / (Loss) Before Taxation | (7 138) | (13 419) | - | (20 557) | (3 175) | (34 147) | - | (37 322) | (2 151) | 145 670 | - | 143 519 |
| Taxation | - | - | - | - | - | (1 000) ⁷ | - | (1 000) | - | (69 104) ⁷ | - | (69 104) |
| Comprehensive Income / (Loss) for the Period | (7 138) | (13 419) | - | (20 557) | (3 175) | (35 147) | - | (38 322) | (2 151) | 76 567 | - | 74 416 |

| | | | | | | |
|-------------------------------------------------------|----------|----------|----------|----------|----------|---------|
| Basic (Loss) / Earnings per Share (cents) | (0,8271) | (2,3819) | (0,0023) | (0,0028) | (0,0016) | 0,0538 |
| Diluted (Loss) / Earnings per Share (cents) | (0,8271) | (2,3819) | (0,0023) | (0,0028) | (0,0016) | 0,0538 |
| Headline (Loss) / Earnings per Share (cents) | (0,8271) | (2,3819) | (0,0023) | (0,0028) | (0,0016) | 0,0538 |
| Weighted average number of Shares in Issue ('000 000) | 863 | 863 | 138 363 | 138 363 | 138 363 | 138 363 |
| Diluted average number of Shares in Issue ('000 000) | 863 | 863 | 138 363 | 138 363 | 138 363 | 138 363 |

Estimate Period Assumptions

1. The estimates for FY22 were compiled using the reviewed 31 August 2021 and the management accounts for the last 6 months of the year.

Forecast Period Assumptions

1. Langpan Mining Co forecast numbers are extracted / directly linked to the approved Competent Person's Report model, with the only adjustment being a six months delay to the starting point from that modelled in the Competent Person's Report. Summary of key model assumptions:
 - a. Competent Person's Report approved mineral reserve totals 2.17 million tonnes. Run of Mine (ROM) production profile at steady state is forecasted at an average of 30,000 tonnes per month or 360,000 tonnes annually of chrome at a yield of 63% producing a 42/44 chrome concentrate with an average of 1.35 PGE g/t over the life of mine of seven years. Average prill split on the PGMs over the life of mine is 64% platinum, 18% palladium and 17% rhodium. Small amount of gold exists but it currently does not form part of the mining right thus, has been excluded.
 - b. Model is based on chrome price of R1,650, platinum \$959, palladium \$1,859 and Rhodium \$11,500 all underpinned by a ZAR/US\$ exchange rate of 15.98.
 - c. Further, model is built on a cost per tonne of R739 of which R616 of that relates to mining cost (includes a 10% margin) and R90 per tonne processing cost. See summary of production profile contained in the Table 0.3 of **Annexure 16** while the metal price assumptions are summarised in Table 0.7 of the same Annexure.
 - d. Commodity pricing is a key part of the forecasts and is exclusively outside of director influence; operating cost is also market driven as it will be external service providers. Directors have some influence on overhead costs.
2. Elimination adjustment refers to adjustments required for consolidation purposes. The only adjustment relates to inter-company management fees.
3. FY23 forecast includes nine months of production due to allowance for plant refurbishment project. Forecasted ROM of 205,000 tons producing 129,000 tons of (63% yield). Revenue is calculated by taking the production against the model pricing summarised above and similarly, all costs (mining, processing and other operating costs) are based on the cost per tonne by ROM tonnes.
4. Depreciation cost largely represents largely the depreciation of the Mining Right using the Life of Mine ROM tonnes of 2.17 million as base, determining the % of ROM tonnes mined in the year and multiplying that by the value of the Mining Right. For FY23, 205,000 tonnes divided by 2.17 million tonnes equals 9%, which is then multiplied by value of the Mining Right of R605 million to arrive at the R61 million depreciation value. Depreciation for FY24 is higher than FY23 due to higher production in FY24.
5. Admin & Other Expenses is made up largely of overhead costs such as salaries, consultants, insurance. In the model, this cost is also determined on a per tonne at R12.60 which is around 1.5% of total cost per tonne.
6. Finance cost relates to interest cost of borrowings totaling R91 million to be utilised for infrastructure refurbishment and mining start-up costs.
7. Taxation is based on corporate tax rate of 27%. FY23 utilises the accumulated loss R17 million.

8. FY24 includes ROM of 297,475 tonnes producing 187,409 tonnes of (63% yield). Revenue is calculated by taking the production against the model pricing summarised above and similarly, all costs (mining, processing and other operating costs) are based on the cost per tonne by ROM tonnes. Production is higher than prior year due to a full 12 months of operations versus FY23 of nine months.
9. Given that Mantengu has been a cash shell with no recent trading history, the forecast has assumed the weighted average number of Shares in issue and diluted average number of Shares in issue will remain the same over the forecasted periods.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE FORECAST FINANCIAL INFORMATION OF THE MANTENGU GROUP FOR 28 FEBRUARY 2023 AND 2024

"The Directors
Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2196

23 May 2022

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE PROSPECTIVE FINANCIAL INFORMATION IN THE FORM OF FORECAST STATEMENTS OF COMPREHENSIVE INCOME FOR 28 FEBRUARY 2023 AND 2024 INCLUDED IN THE CIRCULAR FOR THE COMBINED MANTENGU MINING LIMITED/LANGPAN MINING CO PROPRIETARY LIMITED GROUP ("COMBINED GROUP")

The definitions commencing on page 10 of the Circular to which this letter is attached apply *mutatis mutandis* to this report (unless specifically defined where used or the context indicates a contrary intention).

Introduction

We have undertaken a reasonable assurance engagement in respect of the accompanying prospective Statements of Comprehensive Income completed our assurance engagement to report on the prospective financial information of the Combined Group for the years ending 28 February 2023 and 2024 as set out in Annexure 10 of the accompanying circular to Mantengu Mining Limited Shareholders dated 30 May 2022.

Directors' Responsibility for the Prospective Financial Information

The Directors are responsible for the preparation and presentation of the forecast information and for the reasonableness of the assumptions used to prepare the forecast information as set out in Annexure 10. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the forecast information on the basis of those assumptions that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Consequently, readers are cautioned that this forecast may not be appropriate for purposes other than described in the purpose of the report paragraph below.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

HLB CMA South Africa Incorporated applies the International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and*

Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited assurance conclusion on the reasonableness of the Directors' assumptions

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Directors' assumptions do not provide a reasonable basis for the preparation and presentation of the forecast information for the years ending 28 February 2023 and 2024.

Reasonable assurance engagement on the forecast information

Reporting accountant's responsibility

Our responsibility is to express an opinion based on the evidence we have obtained about whether the forecast information is properly prepared and presented on the basis of the Directors' assumptions disclosed in the notes to the forecast information (the assumptions) and in accordance with the JSE Listings Requirements for forecast information. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information (ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether such forecast information is properly prepared and presented on the basis of the Directors' assumptions disclosed in the notes to the forecast information and in accordance with the JSE Listings Requirements for forecast information.

A reasonable assurance engagement in accordance with ISAE 3400 involves performing procedures to obtain evidence that the forecast information is properly prepared and presented on the basis of the assumptions and in accordance with the JSE Listings Requirements for forecast information. The nature, timing and extent of procedures selected depend on the reporting accountant's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, of the forecast information. In making those risk assessments, we considered internal control relevant to the Combined Group's preparation and presentation of the forecast information.

Our procedures included:

- inspecting whether the forecast information is properly prepared on the basis of the assumptions;
- This encompasses inter alia the reading and interpretation of source data, assessing the reliability of the source data used in calculations and reperforming said calculations of figures included in the prospective financial information. Further to this an overview was given on the source data's analysis of variables that could have an effect on the assumptions to assess the reasonability thereof;
- inspecting whether the forecast information is properly presented, and all material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions; and
- inspecting whether the forecast statement of profit or loss and other comprehensive income is prepared on a consistent basis with the historical financial statements, using appropriate accounting policies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on the forecast information

In our opinion, the forecast information is properly prepared and presented on the basis of the assumptions and in accordance with paragraph 8.37(a) of the JSE Listings Requirements for forecast information for the years ending 28 February 2023 and 2024.

Jean-Andre du Toit CA(SA)

Director

Registered Auditor

Reporting Accountant Specialist (JSE)

On Behalf of HLB CMA South Africa Incorporated

(JSE accredited Reporting Accountant)

CMA Office and Conference Park

No. 2 Second Road

Halfway House, 1985”

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE ESTIMATE FINANCIAL INFORMATION OF THE MANTENGU GROUP FOR 28 FEBRUARY 2022

"The Directors
Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2196

23 May 2022

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE PROSPECTIVE FINANCIAL INFORMATION IN THE FORM OF ESTIMATE STATEMENTS OF COMPREHENSIVE INCOME FOR 28 FEBRUARY 2022 INCLUDED IN THE CIRCULAR FOR THE COMBINED MANTENGU MINING LIMITED/LANGPAN MINING CO PROPRIETARY LIMITED GROUP ("COMBINED GROUP")

The definitions commencing on page 10 of the Circular to which this letter is attached apply *mutatis mutandis* to this report (unless specifically defined where used or the context indicates a contrary intention).

Introduction

We have undertaken a reasonable assurance engagement in respect of the accompanying prospective Statements of Comprehensive Income completed our assurance engagement to report on the estimate financial information of the Combined Group for the year ending 28 February 2022 as set out in Annexure 10 of the accompanying circular to Mantengu Mining Limited Shareholders dated 30 May 2022.

Directors' Responsibility for the Prospective Financial Information

The Directors are responsible for the preparation and presentation of the estimate information and for the reasonableness of the assumptions used to prepare the estimate information as set out in Annexure 10. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the estimate information on the basis of those assumptions that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

HLB CMA South Africa Incorporated applies the International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited assurance conclusion on the reasonableness of the Directors' assumptions

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Directors' assumptions do not provide a reasonable basis for the preparation and presentation of the estimated information ending 28 February 2022.

Reasonable assurance engagement on the estimated information

Reporting accountant's responsibility

Our responsibility is to express an opinion based on the evidence we have obtained about whether the estimate information is properly prepared and presented on the basis of the Directors' assumptions disclosed in the notes to the estimate information (the assumptions) and in accordance with the JSE Listings Requirements for estimate information. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, in respect of the estimate (ISAE 3000), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether such estimate information is properly prepared and presented on the basis of the Directors' assumptions disclosed in the notes to the estimate information and in accordance with the JSE Listings Requirements for estimate information.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence that the estimate information is properly prepared and presented on the basis of the assumptions and in accordance with the JSE Listings Requirements for estimate information. The nature, timing and extent of procedures selected depend on the reporting accountant's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, of the estimate information. In making those risk assessments, we considered internal control relevant to the Combined Group's preparation and presentation of the estimate information.

Our procedures included:

- inspecting the preliminary accounting records for the period ended 28 February 2022 and draft annual financial statements for Mantengu Mining Limited and Langpan Mining Co Proprietary Limited respectively and compared it with the estimate figures being reported on;
- inspecting whether the estimate information is properly prepared on the basis of the assumptions;
- This encompasses inter alia the reading and interpretation of source data, assessing the reliability of the source data used in calculations and reperforming said calculations of figures included in the prospective financial information. Further to this an overview was given on the source data's analysis of variables that could have an effect on the assumptions to assess the reasonability thereof;
- inspecting whether the estimate information is properly presented, and all material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions; and
- inspecting whether the estimate statement of profit or loss and other comprehensive income is prepared on a consistent basis with the historical financial statements, using appropriate accounting policies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on the estimate information

In our opinion, the estimate information is properly prepared and presented on the basis of the assumptions and in accordance with paragraph 8.37(c) of the JSE Listings Requirements for estimate information for the years ending 28 February 2022.

Jean-Andre du Toit CA(SA)

Director

Registered Auditor

Reporting Accountant Specialist (JSE)

On Behalf of HLB CMA South Africa Incorporated

(JSE accredited Reporting Accountant)

CMA Office and Conference Park

No. 2 Second Road

Halfway House, 1985”

CORPORATE GOVERNANCE STATEMENT

The Board and each individual Director supports implementing best governance principles and practices throughout the Group. The Board continues to subscribe to the values of good corporate governance as set out in the King IV Report on Corporate Governance for South Africa, 2016 (“**King IV Report**” or “**King IV**”) and those prescribed by the Listings Requirements. The aim is to maintain the highest standards of integrity to ensure that the principles set out in the King IV Report are observed and implemented. The Board is of the opinion that Mantengu currently complies in all material respects with the principles embodied in the King IV Report and the additional requirements for corporate governance stipulated by the Listings Requirements.

A full register of the King IV principles, and the extent of Mantengu’s compliance therewith, together with an explanation for each principle, is set out below.

| Principles | Status | Apply and Explain |
|------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part 5.1: LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP | | |
| LEADERSHIP | | |
| Principle 1: The governing body should lead ethically and effectively. | ✓ | The governing body has established the various committees referred to in paragraph 2 below, and is confident, on a prospective basis that the combined inputs of such committees will produce conformity with this principle such that the governing body will exhibit the requisite levels of integrity, competence, responsibility, accountability, fairness and transparency. |
| ORGANISATIONAL ETHICS | | |

| Principles | Status | Apply and Explain |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture. | ✓ | The Combined Social & Ethics Committee (“ CSEC ”) consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema* (Chair) and one non-executive Director, Michael Miller, with the objectivity to ensure conformity with this principle so as to support the establishment of an ethical culture. The CSEC duties include (a) setting the direction of how ethics should be approached by the organisation; (b) providing codes of conduct and ethics policies; (c) setting out parameters for engaging internal and external stakeholders; and (d) providing for arrangements that familiarise employees and other stakeholders with the organisation’s ethical standards. |
| RESPONSIBLE CORPORATE CITIZENSHIP | | |
| Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen. | ✓ | Even though Mantengu is effectively dormant, the governing body is fully committed to responsible corporate citizenry. The CSEC framework will ensure tangible adherence in this regard. |
| PART 5.2: STRATEGY, PERFORMANCE AND REPORTING | | |
| STRATEGY AND PERFORMANCE | | |
| Principle 4: The governing body should appreciate that the organisation’s core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. | ✓ | Even though Mantengu is effectively dormant, the governing body acknowledges that the Company’s core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. |
| REPORTING | | |
| Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation’s performance, and its short, medium and long-term prospects. | ✓ | The Board has kept its shareholders updated in line with JSE Listings Requirements around the opportunities being assessed by the Board. |
| PART 5.3: GOVERNING STRUCTURES AND DELEGATION | | |
| PRIMARY ROLE AND RESPONSIBILITIES OF THE GOVERNING BODY | | |

| Principles | Status | Apply and Explain |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation. | ✓ | The Board adheres to the requirements of King IV. |
| COMPOSITION OF THE GOVERNING BODY | | |
| Principle 7: The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. | ✓ | The Board, with the assistance of the CRNC, has adopted a broader policy specifically focussing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience. |
| COMMITTEES OF THE GOVERNING BODY | | |
| Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties. | ✓ | Sub-committees appointed by the board include the Combined Audit & Risk Committee (“ CARC ”), CSEC and Combined Remuneration & Nomination Committee (“ CRNC ”). These committees all meet independently but report directly to the Board and decisions taken by such committees all require approval of the Board prior to implementation. |
| EVALUATIONS OF THE PERFORMANCE OF THE GOVERNING BODY | | |
| Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness. | ✓ | Even though Mantengu is effectively dormant, the Board strives to achieve the highest levels of governance. The well-balanced governing body will review its performance on an annual basis. |
| APPOINTMENT AND DELEGATION TO MANAGEMENT | | |
| Principle 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities. | ✓ | Even though Mantengu is effectively dormant, the Board strives to achieve the highest levels of governance. This will be reviewed when Mantengu makes any investments and expands its workforce. |
| Part 5.4: GOVERNANCE FUNCTIONAL AREAS | | |
| Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives. | ✓ | Even though Mantengu is effectively dormant, the Board strives to achieve the highest levels of governance. This will be reviewed when Mantengu makes any investments. |
| TECHNOLOGY AND INFORMATION GOVERNANCE | | |

| Principles | Status | Apply and Explain |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives. | ✓ | Even though Mantengu is effectively dormant, the Board strives to achieve the highest levels of governance. This will be reviewed when Mantengu makes any investments. |
| COMPLIANCE GOVERNANCE | | |
| Principle 13: The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen. | ✓ | Even though Mantengu is effectively dormant, the Board strives to achieve the highest levels of governance. This will be reviewed when Mantengu makes any investments or ramps up its production capacity. |
| REMUNERATION GOVERNANCE | | |
| Principle 14: The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. | ✓ | The CRNC consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema* and one non-executive Director, Michael Miller. The CRNC recently commissioned a Performance Share Plan to be approved by shareholders at the General Meeting, the purpose of scheme is to ensure that Mantengu's critical management are fairly remunerated and incentivised in line with shareholder expectations. |
| Principle 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports. | ✓ | Even though Mantengu is effectively dormant, the Board strives to achieve the highest levels of governance. This will be reviewed when Mantengu makes any investments or ramps up its production capacity. |
| STAKEHOLDERS | | |
| Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time. | ✓ | Even though Mantengu is effectively dormant, the Board continues to effectively communicate with its material stakeholders. This will be further bolstered upon completion of the Langpan Mining Co transaction as the Group starts to ramp up operations. |
| RESPONSIBILITIES OF INSTITUTIONAL INVESTORS | | |

| Principles | Status | Apply and Explain |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------------------------|
| Principle 17: The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests. | N/A | Mantengu is not an Institutional Investor, as defined by the King IV Report on corporate governance. |

1. The Board

The Board is responsible for the strategic direction and control of the Company. The Board currently comprises five Directors of which two are executive Directors and three are non-executive Directors, of whom two are independent non-executive directors.

The Board consists of members with varied backgrounds and skills in order to contribute to the strategy and direction of the Company. The Board comprises an appropriate balance of power between executive and non-executive directors, and there is no individual that has unfettered powers of decision making and no individual dominates the Board's deliberations and decisions.

The Board is chaired by Michael Miller who is a non-executive Director. The Chief Executive Officer of the Company is Mahlatsi Movundlela and Thato Makgolane is the Company's Financial Director. Vincent Madlela is the lead independent Director and Jonas Tshikundamalema is an independent non-executive Director.

2. Committees

The Board has delegated certain specific responsibilities to the following committees, which are detailed more fully below:

Combined Audit & Risk Committee ("CARC")

The objective of the CARC is to assist the Board with its responsibility of safeguarding assets, maintaining effective and efficient internal controls, reviewing the financial information and overseeing the preparation of the annual financial statements.

The CARC has the power to make decisions regarding its statutory duties and is accountable for its performance in this regard. In addition to its statutory duties, the CARC is responsible for, *inter alia*, the following:

- the recommendation of the Group's annual financial statements to the Board for approval;
- risk governance and ensuring that it dedicates sufficient time to this responsibility;
- overseeing the management of financial and other risks that affect the integrity of external reports issued by the organisation;
- ensuring that the Group has established appropriate financial reporting procedures and that those procedures are operating;
- ensuring suitability of the appointment of external auditors and the designated individual partner, specifically taking into account any information pursuant to paragraph 22.15(h) of the Listings Requirements;
- ensuring that the appointment of the auditor is presented and included as a resolution at the annual general meeting of the Company pursuant to Section 61(8) of the Companies Act; and
- ensuring, on an annual basis, that the Financial Director has the appropriate expertise and experience.

The CARC has reviewed the financial reporting procedures of the Company and is satisfied that there are appropriate financial reporting procedures established, and that these have been operating sufficiently for the past financial period.

The CARC currently consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema* and one non-executive Director, Michael Miller. The CARC is chaired by Vincent Madlela.

The CARC met three times during the 2021 financial year.

The CARC has considered and is satisfied that the Financial Director, Thato Makgolane, has the necessary experience and expertise to execute his function.

* Jonas Tshikundamalema was appointed to CARC on 25 April 2022.

Combined Remuneration & Nomination Committee (“CRNC”)

The CRNC is responsible for considering the nomination of new directors and the remuneration of the executive directors and making recommendations to the Board in this regard. The CRNC consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema* and one non-executive Director, Michael Miller. The CRNC is chaired by Michael Miller. The CRNC met three times during the 2021 financial year.

* Jonas Tshikundamalema was appointed to CARC on 25 April 2022.

The Remuneration Policy and Implementation Report are tabled for a separate non-binding advisory vote by Shareholders at each annual general meeting. The CRNC takes into account any feedback received from Shareholders during the annual general meetings and endeavours to liaise with Shareholders who have raised concerns on the Remuneration Policy, as the case may be, with a view of resolving concerns raised, where possible. The Remuneration Policy will record the measures that the Board commits to take in the event that either the Remuneration Policy or the Implementation Report is voted against by 25% or more of the votes exercised. In such instances, the announcement on the voting results will provide an invitation to dissenting Shareholders to engage with the Company and will specify the manner and timing of such engagement. With regards to dissenting Shareholders, the remuneration committee members will reach out directly to the Shareholder representatives with a view of scheduling a separate meeting for their concerns to be addressed.

The Remuneration Policy addresses remuneration on an organisation-wide basis and is a key component of the Company’s HR strategy, which must always fully support the overall business strategy.

Given that the Company is currently a listed cash shell, the Remuneration Policy currently has limited scope and applicability because the only current objective is to maintain sufficient liquidity to remain a going concern whilst canvassing the market for viable opportunities to submit to shareholders. When the Company executes a viable commercial opportunity, the Remuneration Policy will be reviewed for adequacy and applicability. Regardless of the exact applicability, the overriding functions and principles of the Remuneration Policy, are as follows:

- To attract top talent, whilst acknowledging the current financial position of the Company, in order to support the successful recapitalisation of the business to execute the investment strategy.
- Build a competitive, high performance and innovative company with an entrepreneurial culture that attracts, retains, motivates and rewards high-performing employees.
- To promote the highest levels of adherence to governance requirements of King IV.
- To promote an ethical culture and responsible corporate citizenship.
- To create a culture within the Group that promotes, recruits and rewards excellence.

- To promote an environment that motivates high performance so that all employees can positively contribute to the strategy, vision, goals and values of the Company.
- To set employees' total remuneration packages at competitive levels by benchmarking to the market and providing incentives geared to agreed performance which support the Company's business strategy.
- To align the best interests of our employees with those of other stakeholders.

The CRNC believes that alignment creates synergy and that the long-term success of the Group is directly linked to the calibre of employees that it employs and the working environment that it creates.

The CRNC will review the Remuneration Policy and make the necessary changes and additions during the course of the 2022 financial year upon the implementation of the Proposed Transaction.

The Board acknowledges the importance of a broader diversity at a board level. The Board, with the assistance of the CRNC, has adopted a broader policy specifically focussing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience.

Combined Social & Ethics Committee ("CSEC")

The purpose of the CSEC is to ensure that the Mantengu Group is, and remains, a good and responsible corporate citizen, and to perform the statutory functions required of a social and ethics committee in terms of the Companies Act.

The CSEC consists of two independent non-executive Directors, Vincent Madlela and Jonas Tshikundamalema* (Chair) and one non-executive Director, Michael Miller. The CSEC met twice in the past financial year.

* Jonas Tshikundamalema was appointed to CSEC on 25 April 2022.

3. Company Secretary

Neil Esterhuysen & Associates has been appointed as the Company Secretary. Having worked closely with Neil Esterhuysen & Associates since 2016, the Board has continually assessed its competence, qualification, skill and professionalism. The Board has thus satisfied itself of the competence, qualifications and experience of the Company Secretary.

4. Compliance with applicable laws

The Directors are satisfied that the Company has complied with and operates in conformity with:

- the provisions of the Companies Act and any other applicable laws relating to its incorporation; and
- the Company's MOI and other relevant constitutional documents.

PROPOSED AMENDMENTS TO THE MOI

*The definitions and interpretations commencing on page 10 of the Circular to which this annexure is attached **do not** apply to this annexure, unless a word or a term is otherwise defined herein.*

This annexure contains an extract of certain paragraphs of the Mantengu MOI and illustrates the proposed amendments thereto. Such amendments will be implemented, subject to Shareholder approval thereof at the General Meeting, in two phases as follows:

- (i) Phase One - being the Increase in Authorised Share Capital and the filing of the required notice of amendment of the MOI with CIPC immediately post the General Meeting; and
- (ii) Phase Two – Being the Share Consolidation and the filing of the required notice of amendment of the MOI with CIPC post the implementation of the Rights Offer.

The proposed amendments to Mantengu’s MOI pursuant to the Increase in Authorised Share Capital, as contemplated in paragraph 5 of the Circular and which require Shareholder approval, are blacklined in the extract of the MOI set out below.

3. ARTICLE 2 : SECURITIES OF THE COMPANY

3.1 Authorised class of shares and associated rights

3.1.1 The authorised share capital of the Company immediately following the date of the adoption of this MOI consists of, and the Company is authorised to issue no more than:

3.1.1.1 ~~4,000~~155,000,000,000 (~~ONE BILLION~~ONE HUNDRED AND FIFTY FIVE BILLION) Ordinary Shares of a single class of shares with no nominal or par value, which is designated “**ordinary shares**”, each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as “**ordinary shareholders**”), to: –

Shareholders are advised that, in addition to the aforementioned amendments to Mantengu’s MOI, further amendments, which are blacklined in the extract of the MOI as set out below, will be in order to correct patent errors in reference. As provided for in terms of section 17(1) of the Companies Act, Shareholders need not approve these amendments.

1. DEFINITIONS AND INTERPRETATIONS

1.2.8 “**Central Securities Depository**” means as defined in section 1 of the ~~Securities Services~~Financial Markets Act;

1.2.11 “**Company**” means ~~Mine Restoration Incorporation~~Mantengu Mining Limited, with registration number 1987/004821/06, duly incorporated in accordance with the laws of the Republic of South Africa;

1.2.21 “**Financial Markets Act**” means the Financial Markets Act, 2012 (Act 19 of 2012), as amended from time to time;

1.2.223 “**JSE**” means JSE Limited (registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of the Republic, licensed as an exchange under the ~~Securities Services~~Financial Markets Act;

- 1.2.278 **"Participant"** has the meaning set out in section 1 of the ~~Securities Services~~Financial Markets Act;
- 1.2.39 **"Uncertificated Securities"** means any securities defined in section 29 of the ~~Securities Services~~Financial Markets Act;
- 3.16.6 Distributions payable in monetary form shall be authorised in the currency of the Republic (Rands), and cash distributions, interest or other moneys payable to a Shareholder may be paid by ~~cheque~~ electronic funds transfer or otherwise, as the Board may from time to time determine, ~~and may be sent by post to the last Registered address of the Shareholder entitled thereto, as recorded in the Securities Register or any other address requested by him, or, in the case of joint Shareholders, to that one of them first named in the Securities Register in respect of such joint Shareholdings,~~ and the ~~payment of such cheque or~~ payment by electronic funds transfer into the bank account nominated by the Shareholder or, in the case of joint Shareholders, into the bank account nominated by the Shareholder whose name stands first in the Securities Register in respect of the share, shall be a good discharge by the Company in respect thereof. ~~The Company shall not be responsible for the loss in transmission of any cheque or warrant or of any document (whether similar to a cheque or warrant or not) sent by post as aforesaid.~~

The proposed amendments to Mantengu's MOI pursuant to the Share Consolidation as contemplated in paragraph 7 of the Circular and which require Shareholder approval, which Share Consolidation will be effected post the implementation of the Rights Offer, are blacklined in the extract of the MOI set out below.

3. ARTICLE 2 : SECURITIES OF THE COMPANY

3.1 Authorised class of shares and associated rights

- 3.1.1 The authorised share capital of the Company immediately following the date of the adoption of this MOI consists of, and the Company is authorised to issue no more than:
- 3.1.1.1 ~~155,000,000,000~~ (one hundred and fifty five million ~~billion~~) Ordinary Shares of a single class of shares with no nominal or par value, which is designated "**ordinary shares**", each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as "**ordinary shareholders**"), to: –

PROVISIONS OF THE MOI PERTAINING TO SHARE CAPITAL AND THE DIRECTORS

*The definitions and interpretations commencing on page 10 of the Circular to which this annexure is attached **do not** apply to this annexure, unless a word or a term is otherwise defined herein.*

This annexure contains an extract of the relevant provisions of the Mantengu MOI pertaining to the share capital and Directors (and excludes the proposed amendments to the MOI as set out in **Annexure 13** to this Circular).

3. ARTICLE 2 : SECURITIES OF THE COMPANY

3.1 Authorised class of shares and associated rights

3.1.1 The authorised share capital of the Company immediately following the date of the adoption of this MOI consists of, and the Company is authorised to issue no more than:

3.1.1.1 1,000,000,000 (ONE BILLION) Ordinary Shares of a single class of shares with no nominal or par value, which is designated “**ordinary shares**”, each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as “**ordinary shareholders**”), to: –

3.1.1.1.1 Vote at any annual general meeting or general meeting, or as contemplated in the Memorandum, the Act and/or JSE L.R, in person or by proxy, on any matter to be decided by the Shareholders of the Company and to 1 (one) vote in respect of each ordinary Share in the case of a vote by means of a poll; [**L.R. SCH.10.5(b)**];

3.1.1.1.2 Participate in any proportionate distribution to the Shareholders;

3.1.1.1.3 share in the proportionate distribution of the Company’s residual value upon its dissolution.

3.1.2 The holders of securities, other than ordinary shares and any special shares created for the purpose of black economic empowerment in terms of the BEE Act and BEE Codes, shall not be entitled to vote on any resolutions taken by the company, save for as permitted as in the JSE Listings Requirements. [L.R SCH.10.h(h)]. In instances that such shareholders are permitted to vote at general/annual general meetings, their vote may not carry any special rights or privileges and they shall be entitled to one vote for each share that they hold, provided that their total voting right at such general/annual meeting may not exceed 24.99% of the total voting rights of all shareholder at such meeting.

3.1.3 In event of fractions of securities, all allocations of Securities will be rounded up or down, based on standard rounding convention (i.e. allocations will be rounded down to the nearest whole number if they are less than 0,5 (zero comma five) and will be rounded up to the nearest whole number if they are equal to or greater than 0,5 (zero comma five), resulting in allocations of whole Securities and no fractional entitlements.

3.2 Authority to alter the authorised class of shares and rights associated to class/es of shares

- 3.2.1 The Company's Board of Directors may propose, which must be authorised by a special resolution adopted by Shareholders, save where such amendment is ordered by a Court as set out in section 16(1)(a) and 16(4) of the Act **[L.R. SCH. 10.5 (d)] [L.R. SCH. 10.9(c)]**, to enact the following: -
- 3.2.1.1 The creation of any class of shares;**[L.R. SCH. 10.5 (d)(i)]**;
 - 3.2.1.2 To increase or decrease the number of authorised shares of any class of the Company's shares as set out in section 36(3)(a) of the Act;**[L.R. SCH. 10.5 (d)(iv)]**;
 - 3.2.1.3 The Conversion of one class of shares into one or more other classes; **[L.R. SCH. 10.5 (d)(iii)]**;
 - 3.2.1.4 To reclassify or vary any shares that have been authorised but not issued as set out section 36(3)(b) of the Act;**[L.R. SCH. 10.5 (d)(ii)]**;
 - 3.2.1.5 To classify any unclassified shares as set out in section 36 (3)(c) of the Act;**[L.R. SCH. 10.5 (d)(ii)]**;
 - 3.2.1.6 To determine or vary the preferences, rights, limitations or other terms of any class of shares, as set out in section 36(3)(d) of the Act;**[L.R. SCH. 10.5 (d)(ii)]**;
 - 3.2.1.7 The consolidation of securities; **[L.R. SCH. 10.5 (d)(v)]**;
 - 3.2.1.8 A sub-division of securities **[L.R. SCH. 10.5 (d)(vi)]**;
- 3.2.2 If any amendment relates to the variation of any preferences, rights, limitations and other terms attaching to any other class of shares already in issue, that amendment must not be implemented without a special resolution, taken by the holders of shares in that class at a separate meeting. In such instances, the holders of such shares may be allowed to vote at the meeting of ordinary shareholders. No resolution of shareholders of the company shall be proposed or passed, unless a special resolution, of the holders of the shares in that class, have approved the amendment. **[L.R. SCH. 10.5 (e)]**;
- 3.2.3 No shares may be authorised in respect of which the preferences, rights, limitations or any other terms of any class of shares may be varied in response to any objectively ascertainable external fact or facts as set out in sections 37(6) and 37(7) of the Act. **[L.R. SCH. 10.5 (g)]**

3.3 Issuing of shares

- 3.3.1 Unless otherwise authorised by the Act, the JSE Listings Requirements and the Company's Shareholders in accordance with clause 3.3.2, the Board may only issue unissued Shares if such Shares have first been offered to existing Shareholders in proportion to their shareholding on such terms and in accordance with such procedures as the Board may determine, unless such Shares are issued for the acquisition of assets by the Company. **[L.R. SCH. 10.1]**;
- 3.3.2 Subject to clauses 3.3.3 to 3.3.8, the Board may resolve to issue Shares and/or grant options to subscribe for Shares within the classes and to the extent that those Shares have been authorised by or in terms of this Memorandum of Incorporation, but only to the extent that such issue or option has been approved by the Shareholders in general meeting, either by way of a general or specific authority provided that such issue or option shall be subject to the JSE Listings Requirements and the approval by the JSE. **[L.R. SCH. 10.1]**;
- 3.3.3 Without derogating from the aforesaid, the Board may also, in its discretion, if it has been granted a general authority in general meeting to issue or grant options in respect

of Shares, issue such Shares or grant such options to some of the Shareholders only or to a combination of some of the Shareholders and subscribers who do not hold any Shares in the Company.

- 3.3.4 All issues of Shares for cash and all issues of options and convertible securities granted or issued for cash must, in addition, be in accordance with the JSE Listings Requirements. **[L.R. SCH. 10.9 (a)]**;
- 3.3.5 No Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional Shares issued by the Company, except to the extent that any such right is specifically included as one of the rights, preferences or other terms upon which any class of Shares is issued or as may otherwise be provided in clause 3.3.2.
- 3.3.6 Notwithstanding the provisions of clauses 3.3.2 and 3.3.3, any issue of Shares, Securities convertible into Shares, or rights exercisable for Shares in a transaction, or a series of integrated transactions shall, as set out in section 41(3) of the Act, require the approval of the Shareholders by special resolution if the voting power of the class of Shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% (thirty percent) of the voting power of all the Shares of that class held by Shareholders immediately before that transaction or series of integrated transactions.
- 3.3.7 All Securities for which a listing is sought on the JSE must, notwithstanding the provisions of section 40(5) of the Act, be fully paid-up and freely transferable, unless otherwise required by law. **[L.R. SCH. 10.2(a)]**;
- 3.3.8 Without derogating from the aforesaid, the Board may also, in its discretion, if it has been granted thereto by a special resolution adopted by Shareholders, be authorized to issue shares for consideration or securities convertible into shares, or a grant of options as set out in section 42 of the Act and in accordance with the JSE Listings Requirements, or a grant of any other rights exercisable for securities as set out in section 41(1) of the Act to the following persons:
 - 3.3.8.1 Director, future Director, prescribed officer, or future prescribed of the Company;
 - 3.3.8.2 Person related or inter-related to the Company or to a Director or prescribed office of the Company;
 - 3.3.8.3 A nominee of a person contemplated in paragraph 3.3.8.1 and 3.3.8.2.

3.14 Capitalisation shares

- 3.14.1 Subject to the provisions of section 47 of the Act and the JSE Listings Requirements, The Company's Board of Directors may propose and be authorised **[L.R. SCH. 10.6]**:
 - 3.14.1.1 To approve the issuing of any authorised shares of the Company, as capitalisation shares, on a *pro-rata* basis to the Shareholders of one more classes of shares;
 - 3.14.1.2 Shares of one class may be issued as capitalisation shares in respect of shares of another class;
 - 3.14.1.3 When resolving to award a capitalisation share, the Board may at the same time resolve to permit any Shareholder entitled to receive such an award to elect instead to receive a cash payment at a value determined by the Board and the Shareholders.

- 3.14.2 The Board of the Company may not resolve to offer a cash payment in lieu of awarding a capitalisation share as contemplated above unless the Board has considered the Solvency and Liquidity Test as required by section 46 of the Act on the assumption that every such Shareholder would elect to receive a cash payment, and is satisfied that the Company would satisfy the Solvency and Liquidity Test immediately upon the completion of the distribution as set out in Section 47(1)(2) of the Act.

3.15 The Company or Subsidiary acquiring Company's shares

- 3.15.1 Subject to the provisions of the JSE listings Requirements and section 48 of the Act, the Board may determine that the Company acquire a number of its own Shares **[L.R. SCH. 10.9(b)]**:
- 3.15.2 The board of any subsidiary of the Company may determine that such subsidiary acquire Shares of the Company, subject to: –
- 3.15.2.1 not more than 10% (ten percent), in aggregate, of the number of issued Shares of any class being held by, or for the benefit of, all of the subsidiaries of the Company, taken together; and
- 3.15.2.2 no voting rights attached to those Shares being exercised while the Shares are held by that subsidiary and it remains a subsidiary of the Company.
- 3.15.3 Any decision by the Company to acquire its own Shares and/or Subsidiary acquiring the Company's shares must satisfy the requirements of section 46 of the Act.
- 3.15.4 A decision of the Board referred to in clause 3.17.1 and 3.17.2: -
- 3.15.4.1 must be approved by a special resolution of the Shareholders if any Shares are to be acquired by the Company from a Director or prescribed officer of the Company, or a person related to a Director or prescribed officer of the Company; and
- 3.15.4.1 is subject to the requirements of sections 114 and 115 of the Act if considered alone, or together with other transactions in an integrated series of transactions, it involves the acquisition by the Company of more than 5% (five percent) of the issued Shares of any particular class of the Company's Shares.
- 3.15.5 Notwithstanding any other provision of this Memorandum of Incorporation, the Company may not acquire its own Shares, and no subsidiary of the Company may acquire Shares of the Company if, as a result of that acquisition, there would no longer be any Shares of the Company in issue other than: –
- 3.15.5.1 Shares held by one or more subsidiaries of the Company; or
- 3.15.5.2 Convertible or redeemable Shares.

3.16 Distribution

- 3.16.1 Subject to section 46 of the Act, the Company may propose a distribution if: -
- 3.16.1.1 It is pursuant to an existing legal obligation of the Company, or a court order;
- 3.16.1.2 The Board of the Company, by resolution of the Board, has authorised the distribution.
- 3.16.2 The Board must apply the solvency and liquidity test immediately prior to completing the proposed distribution and the Board, by resolution, has acknowledged that it has applied the solvency and liquidity test, as set out in section 4 of the Act, and reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after completing the proposed distribution.

- 3.16.3 The Board may from time to time declare and pay to the shareholders such distribution, in accordance with the Act, as the Board considers to be appropriate. If the Board should decide on such a distribution, said distribution will be done in accordance with the Act and the JSE Listings Requirements. No larger distribution shall be declared by the Company in General Meeting than is recommended by the Board, but the Company in General Meeting may declare a smaller distribution. **[L.R. SCH. 10.17(a)];**
- 3.16.4 Any distribution must be made payable to Shareholders registered as at a date subsequent to the date of declaration thereof or the date of confirmation thereof, whichever is the later date. **[L.R. SCH. 10.17(b)];**
- 3.16.5 Distributions shall be payable to Shareholders registered as such on the record date determined by the Board in accordance with the Act. If a record date for distributions is not determined by the Board, then such record date shall occur in accordance with the Act and as set out in the JSE Listings Requirements.
- 3.16.6 Distributions payable in monetary form shall be authorised in the currency of the Republic (Rands), and cash distributions, interest or other moneys payable to a Shareholder may be paid by cheque or otherwise, as the Board may from time to time determine, and may be sent by post to the last Registered address of the Shareholder entitled thereto, as recorded in the Securities Register or any other address requested by him, or, in the case of joint Shareholders, to that one of them first named in the Securities Register in respect of such joint Shareholdings, and the payment of such cheque or payment by electronic transfer into the bank account nominated by the Shareholder or, in the case of joint Shareholders, into the bank account nominated by the Shareholder whose name stands first in the Securities Register in respect of the share, shall be a good discharge by the Company in respect thereof. The Company shall not be responsible for the loss in transmission of any cheque or warrant or of any document (whether similar to a cheque or warrant or not) sent by post as aforesaid.
- 3.16.7 All unclaimed distribution (i.e.) dividends will be held by the Company in trust until claimed, and dividends that remain unclaimed for a period of 3 (three) years from the date on which they were declared may be declared by the Directors to be forfeited for the benefit of the Company. The Directors may at any time annul such forfeiture upon such conditions (if any) as they think fit. All unclaimed monies, other than dividends, that are due to Shareholder/s shall be held by the Company in trust, subject to the laws of prescription. **[L.R. SCH. 10.17(c)];**
- 3.16.8 No distribution shall bear interest against the Company, except as otherwise provided under the conditions of issue of the shares in respect of which such distribution is payable.
- 3.16.9 Distributions may be declared either free of or subject to the deduction of income tax and any other tax or duty in respect of which the Company may be chargeable.
- 3.16.10 Without limiting the provisions of this clause, all payments made to holders of Securities listed on the JSE must be in accordance with the JSE Listings Requirements and capital payments to holders of Listed Securities may not be made on the basis that it can be called up again. **[L.R. SCH. 10.8];**

6. ARTICLE 6 : DIRECTORS AND OFFICERS

6.1 Composition of the Board of Directors

- 6.1.1 In addition to the minimum number of Directors, if any, that the Company must have to satisfy any requirement in terms of the Act to appoint an audit committee and a social and ethics committee, the Board must comprise of at least 4 (four) Directors and the Shareholders shall be entitled, by ordinary resolution, to determine such maximum number of Directors as they from time to time shall consider appropriate. **[L.R. SCH.10.16(a)];**
- 6.1.2 All Directors shall be elected by an ordinary resolution of the Shareholders at a general or annual general meeting of the Company and no appointment of a Director in accordance with a resolution passed in terms of 60 of the Act shall be competent. **[L.R. SCH.10.16(b)];**
- 6.1.3 Every person holding office as a Director, Prescribed Officer, company secretary or auditor of the Company immediately before the effective date of the Act will, as contemplated in item 7(1) of Schedule 5 to the Act, continue to hold that office.

6.2 Appointment and nomination of Directors

- 6.2.1 In any election of Directors: –
- 6.2.1.1 the election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board have been filled; and
- 6.2.1.2 in each vote to fill a vacancy: –
- 6.2.1.2.1 each vote entitled to be exercised may be exercised once; and
- 6.2.1.2.2 the vacancy is filled only if a majority of the votes exercised support the candidate.
- 6.2.2 the Company shall only have elected Directors and there shall be no appointed or *ex officio* Directors as contemplated in section 66(4) of the Act.

6.3 Eligibility, resignation and retirement of Directors

- 6.3.1 Apart from satisfying the qualification and eligibility requirements set out in section 69 of the Act, a person need not satisfy any eligibility requirements or qualifications to become or remain a Director or a Prescribed Officer of the Company.
- 6.3.2 No Director shall be appointed for life or for an indefinite period and the Directors shall rotate in accordance with the following provisions of this clause 6.3.2: – **[L.R. SCH. 10.16(k)]**
- 6.3.2.1 at each annual general meeting, 1/3 (one third) of the Directors for the time being, or if their number is not 3 (three) or a multiple of 3 (three), the number nearest to 1/3 (one third), but not less than 1/3 (one third), shall retire from office, provided that if a Director is appointed as an executive Director or as an employee of the Company in any other capacity, he or she shall not, while he or she continues to hold that position or office, be subject to retirement by rotation and he or she shall not, in such case, be taken into account in determining the rotation or retirement of Directors; **[L.R. SCH.10.16(g)];**
- 6.3.2.2 the Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who were elected as Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot;

- 6.3.2.3 a retiring Director shall be eligible for re-election;
 - 6.3.2.4 the Company, at the general meeting at which a Director retires in the above manner, or at any other general meeting, may fill the vacancy by electing a person thereto, provided that the Company shall not be entitled to fill the vacancy by means of a resolution passed in accordance with clause 5.10;
 - 6.3.2.5 if at any meeting at which an election of Directors ought to take place the offices of the retiring Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this Memorandum of Incorporation related to adjournment shall apply, and if at such adjourned meeting the vacancies are not filled, the retiring Directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting.
- 6.3.3 The Board shall, through its nomination committee (if such nomination committee has been constituted in terms of clause 6.9), provide the Shareholders with a recommendation in the notice of the meeting at which the re-election of a retiring Director is proposed, as to which retiring Directors are eligible for re-election, taking into account that Director's past performance and contribution. Sufficient time shall be allowed between the date of such notice and the date of the general meeting or annual general meeting at which the re-election of the Director is to be proposed to allow nominations to reach the Company's office from any part in South Africa. **[L.R. SCH.10.16(g)].**

6.4 Powers of the Directors

- 6.4.1 The Board has the power to: –
- 6.4.1.1 appoint or co-opt any person as Director, whether to fill any vacancy on the Board on a temporary basis, as set out in section 68(3) of the Act, or as an additional Director provided that such appointment must be confirmed by the Shareholders, in accordance with clause 6.1.2, at the next annual general meeting of the Company, as required in terms of section 70(3)(b)(i) of the Act; and **[L.R. SCH.10.16(c)]**;
 - 6.4.1.2 exercise all of the powers and perform any of the functions of the Company, as set out in section 66(1) of the Act, and the powers of the Board in this regard are only limited and restricted as contemplated in this clause 6.4.
- 6.4.2 The Directors may at any time and from time to time by power of attorney appoint any person or persons to be the attorney or attorneys and agent(s) of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors in terms of this Memorandum of Incorporation) and for such period and subject to such conditions as the Directors may from time to time think fit. Any such appointment may, if the Directors think fit, be made in favour of any company, the shareholders, directors, nominees or managers of any company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys and agents as the Directors think fit.
- Any such attorneys or agents as aforesaid may be authorised by the Directors to sub delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 6.4.3 Save as otherwise expressly provided herein, all cheques, promissory notes, bills of exchange and other negotiable or transferable instruments, and all documents to be

executed by the Company, shall be signed, drawn, accepted, endorsed or executed, as the case may be, in such manner as the Directors shall from time to time determine.

- 6.4.4 All acts performed by the Directors or by a committee of Directors or by any person acting as a Director or a member of a committee shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of the Directors or persons acting as aforesaid, or that any of them were disqualified from or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.
- 6.4.5 If the number of Directors falls below the minimum number fixed in accordance with this Memorandum of Incorporation, the remaining Directors must as soon as possible and in any event not later than 3 (three) months from the date that the number falls below such minimum, fill the vacancy/ies in accordance with clause 6.4.1.1 or convene a general meeting for the purpose of filling the vacancies, and the failure by the Company to have the minimum number of Directors during the said 3 (three) month period does not limit or negate the authority of the Board or invalidate anything done by the Board while their number is below the minimum number fixed in accordance with this Memorandum of Incorporation. **[L.R. SCH.10.16(d)];**
- 6.4.6 The Directors in office may act notwithstanding any vacancy in their body, but if after the expiry of the 3 (three) month period contemplated in clause 6.4.5, their number remains below the minimum number fixed in accordance with this Memorandum of Incorporation, they may, for as long as their number is reduced below such minimum, act only for the purpose of filling vacancies in their body in terms of section 68(3) of the Act or of summoning general meetings of the Company, but not for any other purpose. **[L.R. SCH.10.16(d)];**

6.5 Directors' interests

- 6.5.1 A Director may hold any other office or place of profit under the Company (except that of auditor) or any subsidiary of the Company in conjunction with the office of Director, for such period and on such terms as to remuneration (in addition to the remuneration to which he may be entitled as a Director) and otherwise as a disinterested quorum of the Directors may determine. **[L.R. SCH.10.16(e)];**
- 6.5.2 A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, provided that the appointment and remuneration in respect of such other office must be determined by a disinterested quorum of Directors. **[L.R. SCH.10.16(e)];**
- 6.5.3 Each Director and each alternate Director, Prescribed Officer and member of any committee of the Board (whether or not such latter persons are also members of the Board) shall, subject to the exemptions contained in section 75(2) of the Act and the qualifications contained in section 75(3) of the Act, comply with all of the provisions of section 75 of the Act, in the event that they (or any person who is a related person to them) have a personal financial interest in any matter to be considered by the Board.
- 6.5.4 The Directors shall not, for as long as the Securities of the Company is listed on the JSE, have the power to propose any resolution to Shareholders to ratify an act of the Directors that is inconsistent with any limit imposed by this Memorandum of Incorporation on the authority of the Directors to perform such an act on behalf of the Company in the event that such a resolution would lead to ratification of an act that is contrary to the JSE Listings Requirements, unless the Directors have obtained the prior approval of the JSE to propose such a resolution to Shareholders. **[L.R. SCH.10.3].**

6.6 Directors' Meetings

- 6.6.1 The Directors may elect a chairperson and a deputy chairperson and determine the period for which each is to hold office. The chairperson, or in his absence the deputy chairperson, shall be entitled to preside over all meetings of Directors. If no chairperson or deputy chairperson is elected, or if at any meeting neither is present or willing to act as chairperson thereof within 10 (ten) minutes of the time appointed for holding the meeting, the Directors present shall choose 1 (one) of their number to be chairperson of such meeting. **[L.R. SCH.10.16(i)]**
- 6.6.2 The Board of Directors are authorised to consider a matter other than at a formal meeting. A decision may be adopted by Round Robin resolution with the approval of the majority of Directors given in person or by electronic communication, provided each Director has received notice of the matter as contemplated in section 74 of the Act. Such resolution, inserted in the minute book, shall be as valid and effective as if it had been passed at a meeting of directors, as per the JSE Listings Requirements. **[L.R. SCH. 10.6 (j)]**
- 6.6.3 The Board of Directors shall convene as frequently as it decides, but at least 4 (four) times each year. A special meeting of the Board of Directors may be called either:
- 6.6.3.1 By resolution of the Board; or
- 6.6.3.2 By the CEO whenever he deems it expedient to do so; or
- 6.6.3.3 By at least 25% (twenty five per cent) of the voting members of the Board.
- 6.6.4 The Board of Directors may decide, by simple majority, to facilitate any meeting by using electronic conferencing technology or any other medium through which Directors who are not physically in the same location can fully participate with full video and/or audio facilities instead of convening in person at a specific venue. Directors present in person at such other locations and connected by using the said conferencing technology shall be deemed to be present in person for all purposes envisaged in this Memorandum.
- 6.6.5 The Company shall convene such a meeting by giving at least 14 (fourteen) days written notice of such meeting provided that, in the event of business, which is extremely urgent in the opinion of the CEO, with the written support of 2 (two) other Directors, only 7 (seven) Business Days' notice shall be given, unless the majority of Directors, waive such notice in writing.
- 6.6.6 The Board of Directors may proceed with a meeting despite a failure or defect in giving notice of the meeting.
- 6.6.7 In the event of neither the Chairperson nor the Chairperson Elect being present, an acting Chairperson shall be elected from the Directors present under the interim chairpersonship of the CEO, to preside at the meeting.
- 6.6.8 All decisions shall be taken by a majority of Directors present. The Chairperson, or whoever is presiding, shall have a casting vote in addition to his/her ordinary vote. However, should the quorum of directors be 2 (two), the chairman shall not be permitted to have a casting vote if only two directors are present at a meeting of directors. **[L.R. SCH. 10.6 (i)]**
- 6.6.9 All votes shall be taken by a show of hands or verbal confirmation unless the meeting adopts a motion that a vote is taken by ballot.
- 6.6.10 The Board of Directors may regulate and adjourn its meeting as it thinks fit.
- 6.6.11 Any member of the Board of Directors may be reimbursed for reasonable authorised expenses actually incurred in attending any meetings attended at the request of the Board of Directors.

- 6.6.12 A quorum of the Board of Directors shall consist of at least a majority of Directors eligible to vote. Any decision taken without the quorum being present shall be null and void.
- 6.6.13 If, within 30 (thirty) minutes after the time appointed for a Board Meeting a quorum is not present, such meeting shall stand adjourned to the same time and place on a day 5 (five) Business Days after the date of the meeting and with written notice by electronic communication to all Directors; and
- 6.6.14 The Directors present at such an adjourned meeting shall be a quorum, irrespective of the number of Directors present.
- 6.6.15 The votes at a Board Meeting shall be weighted as 1 (one) vote for each Director.
- 6.6.16 A resolution in writing signed by all the Directors for the time being shall be valid and effectual as if it has been passed at a meeting of the Board, duly convened and held, and may consist of several documents, each signed by all the Directors. Unless otherwise stated in the resolution concerned, it shall be deemed to have been passed upon the date upon which it was signed by the last signatory, and a resolution shall be deemed to have been signed if consent thereto has been given and the message transmitted by electronic communication and purporting to emanate from the person whose signature to such resolution is required.

6.7 Director's compensation and financial assistance

- 6.7.1 The authority of the Company to pay remuneration to the Company's Directors, in accordance with a special resolution adopted by the Shareholders within the previous two years, as set out in section 66 (9) and (10) of the Act is not limited or restricted by this Memorandum of Incorporation.
- 6.7.2 Any Director who: –
 - 6.7.2.1 serves on any executive or other committee; or
 - 6.7.2.1 devotes special attention to the business of the Company; or
 - 6.7.2.3 goes or resides outside South Africa for the purpose of the Company; or
 - 6.7.2.4 otherwise performs or binds himself to perform services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a Director, as a disinterested quorum of the Directors may from time to time determine. **[L.R. SCH.10.16(f)].**
 - 6.7.2.5 The Company's Board of Directors may, if authorised thereto by a special resolution adopted by Shareholders, authorise the Company to provide financial assistance to a Director, prescribed officer or other person referred to in section 45 (2) of the Act.

6.8 Indemnification of Directors

- 6.8.1 The authority of the Company to advance expenses to a Director, or indemnify a Director, in respect of the defence of legal proceedings, as set out in section 78 (4) of the Act is not limited, restricted or extended by this Memorandum of Incorporation.
- 6.8.2 The authority of the Company to indemnify a Director in respect of liability, as set out in section 78 (5) of the Act is not limited or restricted by this Memorandum of Incorporation.
- 6.8.3 The authority of the Company to purchase insurance to protect the Company, or a Director, as set out in section 78 (7) of the Act is not limited, restricted or extended by this Memorandum of Incorporation.

6.10 Borrowing Powers

6.10.1 Subject to the provisions of clause 6.10.2 and the other provisions of this Memorandum of Incorporation, the Directors may from time to time: -

6.10.1.1 borrow for the purposes of the Company such sums as they think fit; and

6.10.1.2 secure the payment or repayment of any such sums, or any other sum, as they think fit, whether by the creation and issue of Securities, mortgage or charge upon all or any of the property or assets of the Company.

6.10.2 The Directors shall procure (but as regards subsidiaries of the Company only insofar as by the exercise of voting and other rights or powers of control exercisable by the Company they can so procure) that the aggregate principal amount at any one time outstanding in respect of moneys so borrowed or raised by: –

6.10.2.1 the Company; and

6.10.2.2 all the subsidiaries for the time being of the Company (excluding moneys borrowed or raised by any of such companies from any other of such companies but including the principal amount secured by any outstanding guarantees or suretyships given by the Company or any of its subsidiaries for the time being for the indebtedness of any other company or companies whatsoever and not already included in the aggregate amount of the moneys so borrowed or raised), shall not exceed, to the extent applicable, the aggregate amount at that time authorised to be borrowed or secured by the Company or the subsidiaries for the time being of the Company (as the case may be).

TABLE OF ENTITLEMENT

No fractions of Shares will be issued and Shares will be issued based on the rounding principle as set out in paragraph 7.1.5 of this Circular. The table of entitlement sets out the number of Shares after the Share Consolidation:

| Number of Shares before the Share Consolidation | Number of Shares after the Share Consolidation | Number of Shares before the Share Consolidation | Number of Shares after the Share Consolidation | Number of Shares before the Share Consolidation | Number of Shares after the Share Consolidation |
|-------------------------------------------------|------------------------------------------------|-------------------------------------------------|------------------------------------------------|-------------------------------------------------|------------------------------------------------|
| - | - | 600 000 000 | 600 000 | 5 900 000 000 | 5 900 000 |
| 100 | - | 700 000 000 | 700 000 | 6 000 000 000 | 6 000 000 |
| 999 | - | 800 000 000 | 800 000 | 6 100 000 000 | 6 100 000 |
| 1 000 | 1 | 900 000 000 | 900 000 | 6 200 000 000 | 6 200 000 |
| 2 000 | 2 | 1 000 000 000 | 1 000 000 | 6 300 000 000 | 6 300 000 |
| 3 000 | 3 | 1 100 000 000 | 1 100 000 | 6 400 000 000 | 6 400 000 |
| 4 000 | 4 | 1 200 000 000 | 1 200 000 | 6 500 000 000 | 6 500 000 |
| 5 000 | 5 | 1 300 000 000 | 1 300 000 | 6 600 000 000 | 6 600 000 |
| 6 000 | 6 | 1 400 000 000 | 1 400 000 | 6 700 000 000 | 6 700 000 |
| 7 000 | 7 | 1 500 000 000 | 1 500 000 | 6 800 000 000 | 6 800 000 |
| 8 000 | 8 | 1 600 000 000 | 1 600 000 | 6 900 000 000 | 6 900 000 |
| 9 000 | 9 | 1 700 000 000 | 1 700 000 | 7 000 000 000 | 7 000 000 |
| 10 000 | 10 | 1 800 000 000 | 1 800 000 | 7 100 000 000 | 7 100 000 |
| 20 000 | 20 | 1 900 000 000 | 1 900 000 | 7 200 000 000 | 7 200 000 |
| 30 000 | 30 | 2 000 000 000 | 2 000 000 | 7 300 000 000 | 7 300 000 |
| 40 000 | 40 | 2 100 000 000 | 2 100 000 | 7 400 000 000 | 7 400 000 |
| 50 000 | 50 | 2 200 000 000 | 2 200 000 | 7 500 000 000 | 7 500 000 |
| 60 000 | 60 | 2 300 000 000 | 2 300 000 | 7 600 000 000 | 7 600 000 |
| 70 000 | 70 | 2 400 000 000 | 2 400 000 | 7 700 000 000 | 7 700 000 |
| 80 000 | 80 | 2 500 000 000 | 2 500 000 | 7 800 000 000 | 7 800 000 |
| 90 000 | 90 | 2 600 000 000 | 2 600 000 | 7 900 000 000 | 7 900 000 |
| 100 000 | 100 | 2 700 000 000 | 2 700 000 | 8 000 000 000 | 8 000 000 |
| 200 000 | 200 | 2 800 000 000 | 2 800 000 | 8 100 000 000 | 8 100 000 |
| 300 000 | 300 | 2 900 000 000 | 2 900 000 | 8 200 000 000 | 8 200 000 |
| 400 000 | 400 | 3 000 000 000 | 3 000 000 | 8 300 000 000 | 8 300 000 |
| 500 000 | 500 | 3 100 000 000 | 3 100 000 | 8 400 000 000 | 8 400 000 |
| 600 000 | 600 | 3 200 000 000 | 3 200 000 | 8 500 000 000 | 8 500 000 |
| 700 000 | 700 | 3 300 000 000 | 3 300 000 | 8 600 000 000 | 8 600 000 |
| 800 000 | 800 | 3 400 000 000 | 3 400 000 | 8 700 000 000 | 8 700 000 |
| 900 000 | 900 | 3 500 000 000 | 3 500 000 | 8 800 000 000 | 8 800 000 |
| 1 000 000 | 1 000 | 3 600 000 000 | 3 600 000 | 8 900 000 000 | 8 900 000 |
| 2 000 000 | 2 000 | 3 700 000 000 | 3 700 000 | 9 000 000 000 | 9 000 000 |
| 3 000 000 | 3 000 | 3 800 000 000 | 3 800 000 | 9 100 000 000 | 9 100 000 |
| 4 000 000 | 4 000 | 3 900 000 000 | 3 900 000 | 9 200 000 000 | 9 200 000 |
| 5 000 000 | 5 000 | 4 000 000 000 | 4 000 000 | 9 300 000 000 | 9 300 000 |
| 6 000 000 | 6 000 | 4 100 000 000 | 4 100 000 | 9 400 000 000 | 9 400 000 |
| 7 000 000 | 7 000 | 4 200 000 000 | 4 200 000 | 9 500 000 000 | 9 500 000 |

| | | | | | |
|-------------|---------|---------------|-----------|--------------------|----------------|
| 8 000 000 | 8 000 | 4 300 000 000 | 4 300 000 | 9 600 000 000 | 9 600 000 |
| 9 000 000 | 9 000 | 4 000 000 000 | 4 400 000 | 9 700 000 000 | 9 700 000 |
| 10 000 000 | 10 000 | 4 500 000 000 | 4 500 000 | 9 800 000 000 | 9 800 000 |
| 20 000 000 | 20 000 | 4 600 000 000 | 4 600 000 | 9 900 000 000 | 9 900 000 |
| 30 000 000 | 30 000 | 4 700 000 000 | 4 700 000 | 10 000 000 000 | 10 000 000 |
| 40 000 000 | 40 000 | 4 800 000 000 | 4 800 000 | 20 000 000 000 | 20 000 000 |
| 50 000 000 | 50 000 | 4 900 000 000 | 4 900 000 | 30 000 000 000 | 30 000 000 |
| 60 000 000 | 60 000 | 5 000 000 000 | 5 000 000 | 40 000 000 000 | 40 000 000 |
| 70 000 000 | 70 000 | 5 100 000 000 | 5 100 000 | 50 000 000 000 | 50 000 000 |
| 80 000 000 | 80 000 | 5 200 000 000 | 5 200 000 | 60 000 000 000 | 60 000 000 |
| 90 000 000 | 90 000 | 5 300 000 000 | 5 300 000 | 70 000 000 000 | 70 000 000 |
| 100 000 000 | 100 000 | 5 400 000 000 | 5 400 000 | 80 000 000 000 | 80 000 000 |
| 200 000 000 | 200 000 | 5 500 000 000 | 5 500 000 | 90 000 000 000 | 90 000 000 |
| 300 000 000 | 300 000 | 5 600 000 000 | 5 600 000 | 100 000 000 000 | 100 000 000 |
| 400 000 000 | 400 000 | 5 700 000 000 | 5 700 000 | 1 000 000 000 000 | 1 000 000 000 |
| 500 000 000 | 500 000 | 5 800 000 000 | 5 800 000 | 10 000 000 000 000 | 10 000 000 000 |

EXECUTIVE SUMMARY OF THE COMPETENT PERSON'S REPORT

*The definitions and interpretations commencing on page 10 of the Circular to which this annexure is attached **do not** apply to this annexure, unless a word or a term is otherwise defined herein. References to "Mine Restoration Investments Limited ("**MRI**") herein are references to the former name of Mantengu Mining Limited.*

Executive Summary

V 1.2

In compliance with paragraph 12.10 (d) of the Johannesburg Stock Exchange's (JSE) Listing Rules, the appropriate sections in SAMREC Table 1, SAMVAL Table 1 and the JSE Listing Rules are referenced as SR, SV and JSE 12.10 respectively throughout the CPR.

Overview

Mine Restoration Investments Limited ("MRI") has been listed on the Alternative Exchange of the JSE since 2012. MRI is in the process acquiring all the issued shares of Langpan Mining Co Proprietary Limited ("LMC", "Langpan Chrome Mine" or "Langpan"), in exchange for the issue of consideration shares, resulting in the effective Reverse Listing of LMC, preceded by a deep-discounted Rights Offer. Bara Consulting (Pty) Ltd. (Bara) has been retained by Mine Restoration Investments Ltd. (MRI) to compile a Competent Persons Report (CPR) and mineral asset valuation for the Langpan Chrome Mine asset. The report has been commissioned in order to comply with the Listing Rules of the Johannesburg Stock Exchange (JSE). The CPR and mineral asset valuation have been compiled in accordance with:

SE 12.10(h)
SV T1.4

- o The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) 2016 Edition; and
- o The South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code) 2016 Edition.

SE 12.10(e)

In addition, Section 12 of the JSE listing requirements have also been complied with. The following executive summary summarises the CPR and is considered a true reflection of the full CPR, the effective date of the CPR is 8th December 2021.

SR 1.1(i)
SR 1
Description and Ownership

The Project lies within the Limpopo Province of South Africa, approximately 25 km North of Northam, 17 km South of Thabazimbi and 6 km North of the Amandelbult Mine Town. It is accessible via gravel roads leading off the R510 and R511 (the "**Langpan Mine**"). Good infrastructure exists in the area due to the well-established platinum, chrome, and iron ore mines. The Middle Group chrome seams (the "**MG Seams**"), which are of interest, occur on the South-Western sector of the farm Langpan 371 KQ.

SR 1.1(i)
SR 1
SR 1.1(i)
SR 1.5(i)(ii)
SV T1.5

The previous Mining Right holder in respect of the Langpan Mine is Memor Mining (Pty) Ltd. ("**Memor Mining**"). Langpan has entered into a share purchase agreement ("**SPA**") with the shareholders of Memor Mining in terms of which Langpan has acquired 100% of the issued share capital of Memor Mining, subject to a condition precedent that by 22 June 2022 (or such later date as the parties may agree) the Minister in terms of Section 11 of the Mineral and Petroleum Resources Development Act 28 of 2002 ("**MPRDA**") has consented to the change of control of Memor Mining purported to be occasioned by this transaction "**Section 11 Consent**". The Section 11 Consent was granted on the 6th December 2021 and the SPA is now in effect.

SE

The Mineral Resource Estimate at Langpan Mine lend themselves to opencast mining and the mine is currently an operational opencast mine mining the Lower Group chrome seams (the “**LG Seams**”). Chrome from the LG Seams is sold run of mine (RoM) on a crushed and screened basis to Stratore (Pty) Ltd. (“**Stratore**”). The material on the chrome contact is removed separately, screened, and sold as separate products. The LG Seams are not included in the Mineral Reserve statement. The MG Seams were mined historically but the surface Digital Terrain Model (“**DTM**”) used in the mining model cuts out the mined-out areas of the MG Mineral Resource.

Geology

The Project is located on the Western Limb of the Bushveld Complex (see Figure 1.1 below), a layered igneous body that intruded sedimentary and volcanic rocks of the Transvaal Supergroup approximately 2.06 billion years (Ga) ago.

The Bushveld Complex consists of a basal mafic to ultramafic suite, which is made up of the Rustenburg Layered Suite (“**RLS**”) and an upper part comprising the Rooiberg felsites and granophyres, and the Bushveld Granite. The RLS is divided into five zones which, from the base upwards, are the Marginal, Lower, Critical, Main and Upper Zones.

The mafic rocks of the Bushveld Complex host the largest known resources of Platinum Group Elements (“**PGEs**”), chromium (Cr_2O_3) and vanadium (V) in the world.

The chromitite layers occur in the Lower, Middle and Upper Groups of the lower and upper Critical Zone. The LG Seams consists of seven chromitite layers hosted in feldspathic pyroxenite. The four chromitite layers of the MG Seams are stratigraphically above the LG Seams at the contact of the lower and upper Critical Zones. The two Upper Group (“**UG**”) layers are contained in norite and anorthosite of the upper Critical Zone.

Although economic PGE mineralisation is predominantly associated with the Merensky Reef and the UG2 chromitite layer, all chromitite layers in the Critical Zone contain lower, but significant concentrations of PGE (Von Gruenewald et al, 1986). V is hosted in the magnetite layers in the Upper Zone of the RLS.

The RLS in the Western Limb of the Bushveld Complex dips to the South-East at angles between 15° and 27°, although the dips may be more variable in the vicinity of faults.

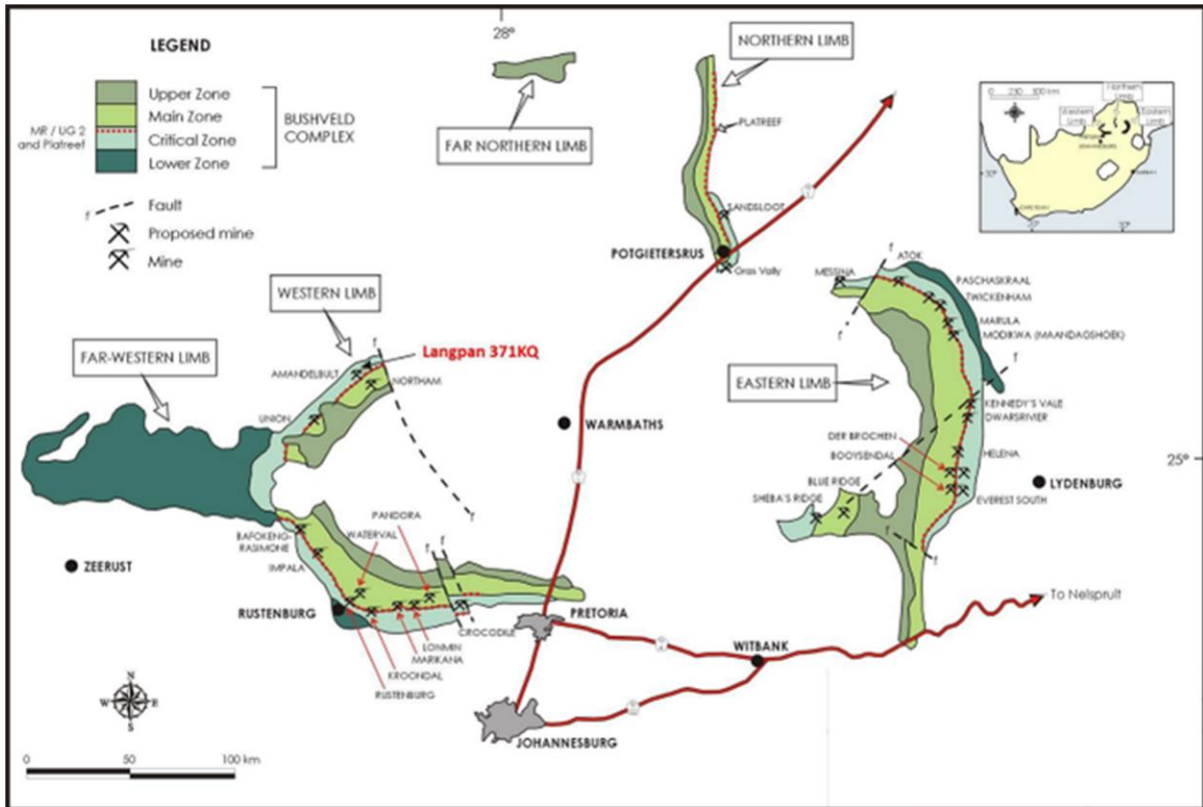


Figure 1-1 – Locality map showing the Project in the Bushveld Complex (Source: MSA, 2015)

The Project comprises two structural blocks, namely the Western structural block (“**WSB**”) and the eastern structural block (“**ESB**”) which are separated by a normal fault. In the WSB, both the LG and MG chromitite layers are present and hosted in a succession of pyroxenites and norites. The ESB is predominantly underlain by orthopyroxenites with a full suite of LG chromitite layers. (Kruger, F.J., 2013). The fault has resulted in the total displacement of the MG chromitites present in the South-Western corner of the Project, out of the Langpan farm in the South-East.

Figure 1.2 below depicts the footprint of the current mining operations which has exposed MG1, MG2, MG3 chromitite layers in Pit A and MG2, MG3 and MG4 chromitite layers in Pit B. The general strike of the layers is 40° and they dip at approximately 20° to the South-East.

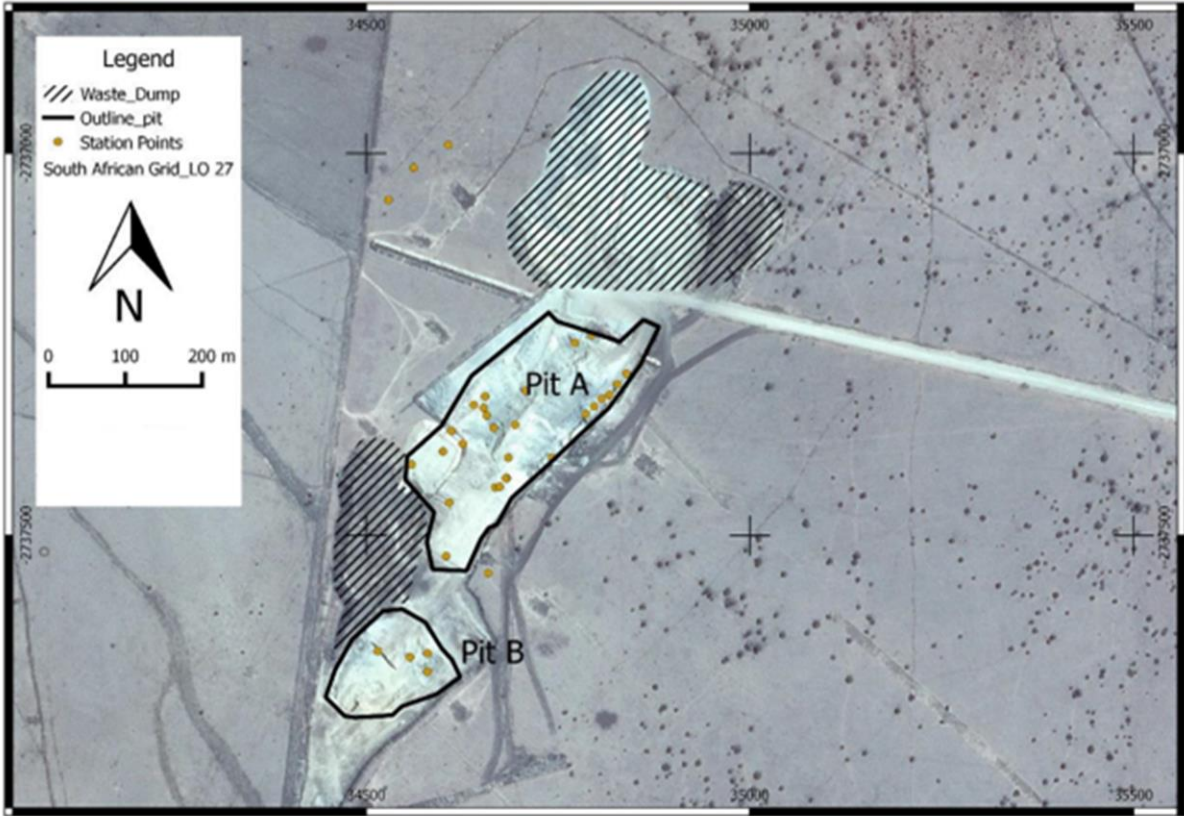


Figure 1-2 – Footprints of the current pits (Source: MSA, 2015)

The most recent exploration was conducted in 2015 and executed by The MSA Group (Pty) Ltd. (“MSA”). The exploration programme comprised:

- Ground magnetic survey
- Structural mapping
- Diamond core drilling and assay

Based on the results of the primary laboratory quality control programme and the results of the second laboratory check assay programme, we attach a high confidence to the assay database and its suitability for use in Mineral Resource estimation. The geological model and subsequent Mineral Resource statement were updated in 2021 by CSA Global South Africa (Pty) Ltd. (“CSA”).

Mineral Resource and Mineral Reserve Estimate

The Mineral Resource estimation and Mineral Reserve estimation are not precise calculations and rounding off will convey the uncertainties in the calculations.

SV T1.9
(h)(ix)
SV T1.9

Mineral Resource Estimate

The Langpan Mineral Resource Estimate is reported in accordance with The SAMREC Code. The Mineral Resource Estimate is demonstrated to have reasonable prospects for eventual economic extraction and is classified as indicated for all seams to a depth of 65 m below surface.

SR 1.4(iii)
SV T1.9

No additional geological losses have been applied to the Mineral Resource as these were accounted for in the geological modelling stage.

The Mineral Resource is reported as at 11th February 2021 to a depth of 65 m below surface is shown in Table 1.1 below.

There are currently no plans to drill any further exploration holes and there is therefore no exploration budget allocated to the project. Mining will commence based on the current geological and Mineral Resource data.

JSE
12.10(h)(vi)

Table 1.1 – Langpan open pit Mineral Resource Estimate as at 11 February 2021, reported to a vertical depth of 65 m below surface

| | Depth <i>m</i> | Category | Tonnes <i>millions</i> | Density <i>t/m³</i> | Cr₂O₃ <i>%</i> | Pt <i>g/t</i> | Pd <i>g/t</i> | Rh <i>g/t</i> | 3PGE <i>g/t</i> | Cr₂O₃ <i>kt</i> | Pt <i>koz</i> | Pd <i>koz</i> | Rh <i>koz</i> | 3PGE <i>koz</i> |
|--------------|--------------------------|------------------|----------------------------------|------------------------------------------|------------------------------------------------|-------------------------|-------------------------|-------------------------|---------------------------|-------------------------------------------------|-------------------------|-------------------------|-------------------------|---------------------------|
| MG1 | ≤65 | Indicated | 0.29 | 4.07 | 35.5 | 0.85 | 0.21 | 0.18 | 1.24 | 103.5 | 7.97 | 1.99 | 1.7 | 11.66 |
| MG2 | ≤65 | Indicated | 0.37 | 4.02 | 36.5 | 1.01 | 0.21 | 0.19 | 1.42 | 134.2 | 11.95 | 2.52 | 2.26 | 16.73 |
| MG3 | ≤65 | Indicated | 0.51 | 3.95 | 30.6 | 1.1 | 0.51 | 0.31 | 1.92 | 154.8 | 17.85 | 8.23 | 5.12 | 31.2 |
| MG4A | ≤65 | Indicated | 0.6 | 3.98 | 34.1 | 1.13 | 0.22 | 0.32 | 1.67 | 205.2 | 21.79 | 4.23 | 6.2 | 32.23 |
| MG4B | ≤65 | Indicated | 0.61 | 4.02 | 33 | 0.49 | 0.17 | 0.18 | 0.85 | 200.2 | 9.62 | 3.39 | 3.45 | 16.47 |
| TOTAL | ≤65 | Indicated | 2.37 | 4 | 33.6 | 0.91 | 0.27 | 0.25 | 1.42 | 798 | 69.18 | 20.35 | 18.74 | 108.27 |

Mine Design and Scheduling

A geotechnical assessment was carried out by Latona Consulting (Pty) Ltd. (“**Latona**”) for the current and future open pit workings on the MG and LG Seams at Langpan Mine.

An overall slope angle of 70 degrees is considered feasible in pits to between 30 and 45 m depth. In the upper 5 to 15 m in highly weathered ground the slope should be battered back at a flatter angle of approximately 55 degrees.

It is considered feasible, if chrome grades make it economic, to mine pits to over 70 m depth, particularly on the combined MG Seams. Overall design slope angle should be 65 degrees at these increased depths.

A life of mine (“**LoM**”) plan was recently undertaken by Mark Mohring Mining Services (PTY) Ltd. (“**M3 Services**”) in close collaboration with Langpan Mine. The Mineral Resources at Langpan Mine lend themselves to opencast mining and the Langpan Mine is currently an operational opencast mine mining the LG Seams. Chrome from the LG Seams is sold RoM on a crushed and screened basis to Stratore. The material on the chrome contact is removed separately, screened, and sold as separate products. There is a similar undertaking from Stratore to purchase all 3PGM at the gate, free on truck (FOT). This is currently a non-binding letter to indicate intent but will be developed to a formal off-take agreement in due course.

A design and schedule were done in 2020 on the mining of the MG Seams to the West of the Langpan Mine, but the geological model used for the planning was an old one from 2013. The geological model was updated in 2021 by CSA and the mine design and schedule was subsequently updated based on the updated geological model and forms the basis of this LOM determination. The LOM plan considers only the MG Seams.

The LOM mining plan has been determined such that LG Seams can still be sold RoM on a crushed and screened basis in the beginning of the operation and the LG Seam contact material can be upgraded for sale. This allows sufficient time for the refurbishment of a wash plant for the life of the Western opencast mine’s life where the MG Seams are found. This LG chrome ore is not included in the Mineral Reserve statement.

Production in the Western pit (Pit B) was started by a previous owner and the mining plan for the MG Seams starts in Pit B. The pit design profiles, as recommended in the geotechnical report compiled by Latona and shown in Figure 1.3 below, form the basis of the pit shell design.

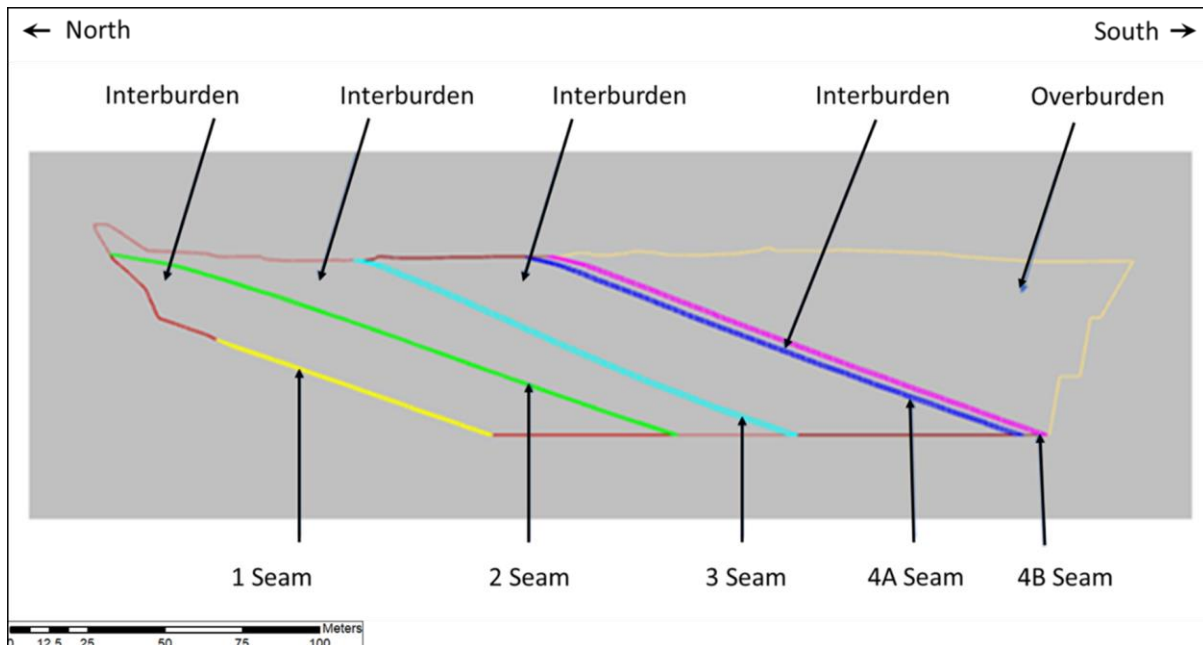


Figure 1-3 – Cross Section showing all MG Seams within the designated pit shell.

The mining equipment will consist of a fleet of excavators, articulated dump trucks, rigid dump trucks and frontend loaders. Other mining and secondary equipment will also be required such as a diesel bowser, water bowser, grader, track dozers, drill, and light duty vehicles. There will be separate teams to remove overburden and chrome.

The overburden team will consist of 2 x 984 Liebherr (120 tonne) excavators, 1 x D9T Caterpillar Track dozer and 6 x TR 100 Terex (90 tonne) rigid dump trucks and will work 3 shifts per day. The chrome team will consist of 1 x 964 Liebherr (80 tonne) excavators, 1 x D8R track dozer and 4 x B50 Bell (50 tonne) articulated dump trucks who will only work in daylight hours. These 2 production teams will be supported by 35 000 litre B50 water bowser and a Caterpillar 140 grader.

Drilling of the overburden will be done with an Atlas Copco L8 provided by the mining contractor. This rig will drill 165mm holes on a 5x5m pattern on the overburden to a maximum depth of 10m which is the maximum height of the mining benches. Explosives will be delivered on the bench by either BME or AEL and the prime blasting agent will be ANFO. It is planned to blast overburden monthly so that all the material is available for the next month. Some of the softer chrome seams can be extracted without blasting while blasting of the harder seams will be required.

Table 1.2 below shows the list of modifying factors, assumptions and design parameters used to design the Western LOM. The mining and geological loss factors are the same for both the current Eastern and new Western opencast mining areas.

| Table 1.2 – Mining Modifying Factors | | |
|---------------------------------------------|---------------|---------------------------------------------|
| Opencast OC West | VALUES | COMMENTS |
| Geological loss (%) | | |
| Measured | <i>n/a</i> | No Mineral Resources in this category |
| Indicated | 5% | This is catered for in the geological model |
| Inferred | <i>n/a</i> | No Mineral Resources in this category |
| | | |

| Table 1.2 – Mining Modifying Factors | | |
|----------------------------------------------------------|------------------------------|-------------------------|
| Opencast OC West | VALUES | COMMENTS |
| <u>Mining Loss (%)</u> | | |
| Total Loss | 5% | |
| <u>Cut-offs / Restrictions</u> | | |
| Minimum chrome seam thickness | 0m | No minimum |
| Mineable seams | MG1, MG2, MG3, MG4A, MG4B | |
| Barrier from farm boundary | 9m | Start Topsoil stripping |
| Blasting Barrier from local community | 500m | Start Hards stripping |
| <u>Production / month</u> | | |
| Maximum production tonnes / month | 30 000 | Incl. Contamination |
| <u>All seams</u> | | |
| Total average thickness | 1.35m | |
| Min thickness | 0.43m | |
| Max thickness | 4.00m | |
| Contamination from waste above and below the seam | | |
| | 8% total | |
| Contamination density | | |
| | 3.2 t/ m ³ | |

The boxcut excavation was started by the previous mine owners and it is planned that the start of mining will take place from this position. The MG1, MG2, MG3, MG4A and MG4B Seams are considered for scheduling purposes in the LOM plan.

Access to the chrome seams will be through horizontal benches linking the ramp. Mining has already commenced on all the seams in the Northeast to RL912 which is at 30 m depth and towards the West to the RL922 which is at 20 m depth.

The intention is to backfill progressively as the mine progresses towards the South-West and the final highwall. Access ramps will be temporary, and the main access will be from the centre initially and then the North- East corner incorporated into the backfill.

The resulting production schedule with tonnes and qualities are shown in Tables 1.3 and 1.4 below. Further work is required to optimise the short-term planning. The production rate was variable, and stockpiling has therefore been accounted for to ensure a steady plant feed rate.

| Table 1.3 – LoM Schedule OC West – Waste and Ore | | | | | | | | |
|--------------------------------------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| DESCRIPTION | Unit | YR01 | YR02 | YR03 | YR04 | YR05 | YR06 | TOTAL |
| Ore Tonnes | RoM Tonnes | 304 503 | 408 403 | 367 050 | 414 429 | 474 524 | 242 776 | 2 211 686 |
| ROM Tonnes | RoM Tonnes | 298 997 | 400 922 | 360 264 | 406 629 | 465 600 | 238 186 | 2 170 598 |
| Waste Tonnes | RoM Tonnes | 7 050 239 | 8 409 600 | 8 409 600 | 7 153 106 | 6 189 344 | 3 622 850 | 40 834 739 |
| Ore Volume | BCM | 75 868 | 101 998 | 91 886 | 103 890 | 118 702 | 60 859 | 553 201 |
| Waste Volume | BCM | 2 199 781 | 2 620 688 | 2 619 760 | 2 227 221 | 1 926 589 | 1 126 401 | 12 720 441 |
| SR | | 7.36 | 6.54 | 7.27 | 5.48 | 4.14 | 4.73 | 5.86 |

| Table 1.4 – LoM Schedule Ore Quality | | | | | | | | |
|--------------------------------------|-------|--------------|-------|-------|-------|-------|-------|-------|
| DESCRIPTION | Unit | TOTAL | YR01 | YR02 | YR03 | YR04 | YR05 | YR06 |
| Diluted CR | % | 31.89 | 32.38 | 31.23 | 30.73 | 30.54 | 32.43 | 32.07 |
| Diluted FE | % | 24.59 | 24.49 | 24.18 | 23.86 | 23.70 | 24.97 | 25.17 |
| Diluted CR:FE | ratio | 1.30 | 1.32 | 1.27 | 1.27 | 1.25 | 1.29 | 1.27 |
| Diluted Si | % | 9.83 | 9.03 | 9.53 | 9.94 | 10.02 | 9.95 | 10.64 |
| Diluted MGO | % | 10.16 | 10.05 | 9.87 | 10.05 | 9.93 | 10.14 | 10.58 |
| Diluted AL | % | 13.88 | 13.81 | 13.40 | 13.58 | 13.61 | 14.17 | 14.15 |
| Diluted PT | g/t | 0.87 | 0.88 | 0.85 | 0.93 | 0.83 | 0.77 | 0.89 |
| Diluted PD | g/t | 0.25 | 0.28 | 0.23 | 0.27 | 0.22 | 0.21 | 0.27 |
| Diluted RH | g/t | 0.23 | 0.22 | 0.22 | 0.24 | 0.23 | 0.23 | 0.24 |
| Diluted 3PGE | g/t | 1.34 | 1.38 | 1.30 | 1.44 | 1.28 | 1.22 | 1.40 |

Process Plant and Tailings

Figure 1.4 below is a Schematic Process Flow Diagram utilised for the testwork program. The flowsheet of the proposed metallurgical plant is the same as the testwork flowsheet except that the tailings cycloning step has been excluded.

Previous plant performance information indicated that the plant yield achieved was +-56%. However, test work performed by METQ (Pty) Ltd. (“**METQ**”) in 2020 using newly designed spirals that optimise the yield on ultrafine chrome particles achieved a yield of 64% on MG1 and 57% on MG3.

Further test work was undertaken in April 2021 by METQ on samples from the MG1, MG2, MG3, MG4A and MG4B seams to determine the predicted plant performance in terms of chrome and 3PGMs recoveries. The weighted average chrome yield across the five seams from the testwork is 65.9%.

It is accepted metallurgical practice to deduct of the order of two percentage points from the testwork recovery number to allow for inefficiencies in the full-scale plant and a further one point to allow for a scale-up factor from testwork to the full-scale plant when compared to spiral testwork. The predicted weighted average chrome yield across the five seams is therefore 63%.

The chrome spiral plant tailings (34.1% by mass of the plant feed) contain PGEs and will be sold to a flotation plant as a PGM product. No flotation testwork has been carried out on the chrome plant tailings. As an indication of the flotation plant recoveries that should be achieved, the operating results from the Sylvania flotation plant were considered. The flowsheets of the Sylvania plants are similar to the flowsheet that would be used to process the Langpan chrome plant tailings. The flotation recoveries achieved by the various Sylvania flotation plants vary between 50 and 65%. The combined recoveries of these plants vary between 52 and 54%. A letter received from Stratore indicates that they will purchase the chrome plant tailings at the mine gate based on a payment of between 70% to 85% of the contained PGEs. The CV has taken a conservative view of these payment terms and assumed payment will be based on 66% of the value of the contained PGEs. Based on the public domain information above it has been identified that lower PGE recoveries than those assumed by Stratore may be achieved on Langpan tailings. The flotation recovery achieved on the Langpan flotation tailings maybe of the order of 50% which would have a negative impact on the payment received for this material.

Infrastructure

Langpan Mine is still in development phase and the main infrastructure such as the mine offices, mine contractor offices and permanent workshop facilities need to be built. A processing plant is currently on site and is currently undergoing a R32 million upgrade with commissioning due in July 2021.

The mine has an ESKOM power supply of 800KVA at the farmhouse and an overhead line is to be built to bring the power to the infrastructure area. A solar installation will be commissioned on site for most of the power required and a diesel generator will supply the remaining power.

The Langpan Mine gets water for its operations from a neighbouring farmer and has concluded a lease to this effect. They have also obtained permission to connect to the Magalies pipeline which runs along the R510 and will install a pipeline to the infrastructure area. This water will also be used for dust suppression, as water from the pit is not expected until level 902 is reached in the pit. A clean water dam has been designed to store clean water on site.

The mine is easily accessible from major towns and cities by national roads and highways and the entrance is on the Amandelbult road running between the R510 and R511. Internal roads have been constructed from the entrance to the wash plant and office area. The haul roads from the pit to the plant will be constructed on the backfilled LG pits so that no additional vegetation is disturbed.

Environmental, Social and Governance (“ESG”)

Memor Mining has an approved Mining Right, mining activity is currently underway on site. A Section 11 Consent has been granted on 6th December 2021 to cede the entire issued share capital of the mining right held by Memor Mining to Langpan. Some of the ESG components need amending, this includes the environmental management programme (“**EMP**”) which needs to reflect what Langpan is planning to do. The water use license needs to be amended to reflect the plan for in-pit waste disposal. This would need waste characterization of the material to determine what the impacts would be. The

social and labour plan (“SLP”) needs to be updated. The closure plan and guarantee also needs to be reassessed. Now that the Section 11 has been granted this work will commence.

Closure

For the first 2 years all the overburden will need to be stockpiled outside of the pit on the Eastern edge, after which space will have been created in the pit to safely backfill some of the overburden. Rehabilitation of the pit is planned to take place as soon as there is sufficient space to fill the void and will continue concurrently with mining. The excess overburden which is mined will be stockpiled along the Eastern edge of the pit and will be used to fill the final void at the end of the Langpan Mine’s life. Good practice is to move surplus waste material on dumps back into the pit in the last few years of the mine’s life as part of operating expenses to avoid large rehabilitation and closure costs at the end of the mine’s life. Provision for rehabilitation has been made in the form of a rehabilitation guarantee and Langpan has committed to assessing the provision on a quarterly basis. This will be continually topped up to provide for final closure based on annual assessments.

All the infrastructure will also be removed at the end of the Langpan Mine’s life.

Capital and Operating Costs

The mining and plant costs are supported by quotes and all other costs assumptions are deemed to be reasonable and comparable with our own benchmarked numbers. Estimated capital costs and average operating costs per RoM tonne are shown in Tables 1.5 and 1.6 below.

| Table 1.5 – Estimated Capital Costs | |
|--------------------------------------------|-------------------------------|
| Description | Amount (R million) |
| ROM & Crushing | 9.05 |
| Gravity separation | 5.52 |
| Water reticulation | 5.74 |
| Electrical & instrumentation | 6.65 |
| Infrastructure | 0.66 |
| EPCM fees | 1.90 |
| Contingency 10% | 2.95 |
| Eskom deposit & connections | 3.00 |
| Project Total | 35.45 |

| Table 1.6 – Average Operating Cost (Real Terms) | |
|--------------------------------------------------------|-----------------------------------|
| Direct Operating Costs | Average Rand per RoM tonne |
| Mining Cost | 559.38 |
| Mining Margin (10% of Cost) | 55.94 |
| Processing Cost | 90.00 |
| RoM Stockpile Re-handling Cost | 10.00 |
| Security | 1.94 |
| Mine Salaries | 10.23 |
| Admin & Audit Fees | 1.70 |
| Independent survey | 10.00 |
| Total Direct Operating Costs | 739.20 |
| Indirect Operating Costs | |
| Payment to Memor Mining | 0.07 |
| Farm Rental | 5.11 |
| Plant & Business Insurance | 1.70 |

| | |
|------------------------------------------|---------------|
| Rehabilitation Provision | 10.00 |
| Diesel Rebate | -23.45 |
| Total Operating Costs R/RoM tonne | 732.65 |
| Langpan Overhead Costs | |
| Salaries & Consultants | 9.20 |
| Travel Costs | 1.70 |
| Legal Fees | 1.70 |

Financial Analysis and Valuation

A financial analysis of the Langpan business plan has been undertaken to determine if the Project is economically viable; a positive result would motivate the declaration of Mineral Reserves. In addition, MRI requested Bara Consulting (Pty) Ltd (Bara) to prepare a valuation of the Langpan Chrome Mine in accordance with the South African Code for the Reporting of Mineral Asset Valuation (The SAMVAL Code) 2016 Edition. The financial analysis undertaken is common to the mineral asset valuation as well as the motivation for the declaration of Mineral Reserves.

The SAMVAL Code requires that at least two valuation approaches be applied to assess the value of a Mineral Asset. There is no information available to allow for the application of the Market Approach nor the Cost Approach, as such, the only valuation approach deemed to be applicable to determine the value of the Langpan Chrome Mine is the Income Approach.

The general valuation methodology is as follows: all revenues and costs are inflated on an annual basis using the cumulative SA inflation factors to provide all money items in nominal terms. The annual cash flows in nominal terms are then used to determine the annual tax payments. The after-tax cash flows are then deflated using the same cumulative SA inflation factors to determine the annual real terms cash flows. These real term cash flows are then discounted at various real discount rates to determine the Net Present Value ("NPV") at various selected discount rates.

The compilation of this Valuation is based on technical and financial data supplied by MRI. The Valuation Date is 8th December 2021. The opinions expressed in this Report have been based on information provided to Bara, the Competent Valuator (CV) and the Technical Expert (TE) by MRI. The CV and TE have placed reliance on information provided by MRI personnel and the Competent Person.

The key economic criteria applied to the financial model for PGE metals are the spot prices as of the 8th December 2021. The chrome price used was as per the Stratore offtake agreement provided by MRI. The volatility in commodity prices and exchange rates experienced recently and the possibility of further uncertainty, has prompted the CV and TE to use spot prices and exchange rates as of 8th December 2021. It is common practice to use consensus forecasts of these parameters but the wide variance in forecasts obtained, coupled to the recent volatility in the prices, had led to spot prices being used for Platinum, Palladium and Rhodium as well as the inflation and exchange rates. The date of the spot prices is also the date of the valuation.

The metal prices as well as the exchange rates and inflation rates used are shown below and in Table 1.7.

- USD/ZAR exchange rate - ZAR15.98 to USD 1
- USA inflation rate - 6.22%
- SA inflation rate - 5.0%
- Discount rate (WACC) - 7.4%
- Tax rate - 28% until 31 March 2022, when it changes to 27%.

- Mining Royalty based on the Mining Royalties Act (Act 28 of 2008)

| Table 1.7 – Spot Metal Price 8th December 2021 | | | |
|------------------------------------------------------------------|---------|--------|-------------------------------------------------------------------------------------------------------------------------------|
| Spot Prices 8th December 2021 | | | |
| Exchange Rate ZAR:US\$ | 15.98 | | https://randforecast.com/dollar-to-rand |
| Inflation rates - US | 6.22% | | https://ycharts.com/indicators/us_inflation_rate |
| Inflation rates - ZAR | 5.0% | | https://tradingeconomics.com/south-africa/inflation-cpi |
| Metal prices Prices | | | |
| Platinum | US\$/oz | 959 | https://www.monex.com/platinum-prices/ |
| Palladium | US\$/oz | 1 859 | https://www.monex.com/palladium-prices/ |
| Rhodium | US\$/oz | 11 500 | https://www.moneymetals.com/rhodium-price |
| Chrome - FoT All Chrome Products | ZAR/t | 1 650 | As per Stratore Agreement |

Based on the above financial parameters and costs an independent financial modelling exercise was undertaken. This modelling exercise included the sale of tailings material containing 3PGM from all five seams mined, the level of detail associated with the testwork program that has been carried out on the PGMs is such that it is considered commensurate with the requirements of the SAMREC Code for a pre-feasibility study.

The CV and TE have calculated two WACC scenarios for the valuation:

- Base Case: whereby the cash flows associated with the Project include the inputs and costs associated with the funding for the Project. The funding and associated repayments cover the first 5 years of the Project.
- Intrinsic Value: based on the Intrinsic value of the Project, whereby only the cash flows associated with the Project are considered. The WACC is based on 100% equity. The funding for the recapitalization of the wash plant is considered to be equity, hence there are no associated funding costs, and

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For the Base Case, the weighted average WACC is calculated by applying the percentage of the NPV of the cash flow for years 1 to 5 compared with the total NPV to the WACC of 4.72%. Similarly, the percentage of the NPV of the cash flow for years 6 to 7 compared with the total NPV is applied to the WACC of 16.85%. The sum of the two adjusted percentages is the weighted average of the WACC. The addition of the PGM revenue to the chrome only cash flow changes the pattern of the overall cash flow and is 3 months longer to accommodate the drying period for the tailings. Hence the weighted WACC is different between the chrome only and chrome plus PGM cases.

Applying the above approach, the cash flows in years 1 to 5 were discounted using a WACC of 4.72% and years 6 to 7, a WACC of 16.85%. Based on this approach, the weighted average WACC, or the effective WACC, is 7.4%. Further, it presents an effective debt-to-equity split of 55/45 respectively. Based on these outputs, effective WACC of 7.4% and debt-equity split of 55/45, the CV and TE determined the approach reasonable for a project that will be funded entirely by debt whose low pricing reflects the current low interest rate environment.

There is no adjustment to the Intrinsic Value cash flows as the WACC remains at 16.85%.

The Competent Valuator and Technical Expert consider that the Value for Langpan Chrome Mine (Scenario B) at a real weighted average WACC discount rate of 9.0% excluding the PGMs is R223 million, with a range of negative R19 million to R447 million based on $\pm 20\%$ chrome price fluctuation. Including the PGM revenue, at a real weighted average WACC discount rate of 7.4%, the value is R851 million with a range of R137 million to R1,213 million based on $\pm 20\%$ all metals price fluctuation. These values are at a PGM metal paid for of 66%: a range of metals paid for percentages between 28% and 41% gives a range of NPVs between R479 million to R608 million.

The intrinsic value of Langpan has been included for comparative purposes only, i.e. 100% equity financed, with a WACC of 16.85%, is R720 million with a range of R153 million to R1,007 million based on $\pm 20\%$ all metals price fluctuation and PGM metal paid for of 66%.

This is based on total chrome sales and the expected sales of 3PGM from all five seams.

Table 1.8 and Table 1.9 show a summary of the results of the financial evaluation.

| Table 1.8 – Langpan Net Present Values – Base Case | | | | |
|-----------------------------------------------------------|------------------|--------------------|--------------------|------------------------|
| | | Lower Value | Upper Value | Preferred value |
| | Disc Rate | R million | R million | R million |
| WACC | 9.0% | -19 | 447 | 223 |
| NPV's are Real as of 8 December 2021 | | | | |
| PGM revenue excluded | | | | |
| | | Lower Value | Upper Value | Preferred value |
| | Disc Rate | R million | R million | R million |
| WACC | 7.4% | 137 | 1,213 | 851 |
| NPV's are Real as of 8 December 2021 | | | | |
| PGM revenue included | | | | |

| Table 1.9 – Langpan Net Present Values - Intrinsic Value | | | | |
|-----------------------------------------------------------------|------------------|--------------------|--------------------|------------------------|
| | | Lower Value | Upper Value | Preferred value |
| | Disc Rate | R million | R million | R million |
| WACC | 16.85% | 30 | 402 | 224 |
| NPV's are Real as of 8 December 2021 | | | | |
| PGM revenue excluded | | | | |
| | | Lower Value | Upper Value | Preferred value |
| | Disc Rate | R million | R million | R million |
| WACC | 16.85% | 153 | 1,007 | 720 |
| NPV's are Real as of 8 December 2021 | | | | |
| PGM revenue included | | | | |

Based on the above financial outcomes, the mine has shown a positive return and it is therefore considered that it is appropriate to declare a chrome and 3 PGM Mineral Reserve for all seams extracted at Langpan.

Mineral Reserve Statement

Mineral Reserves have been declared in accordance with The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code) 2016 Edition. The effective date of the Mineral Reserves is 8th December 2021.

M3 Services produced a LOM plan based on the original mine design layout from Langpan Mine and the updated geological model from CSA. Deswik mining software was used to do the scheduling.

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Geological “surface” grid files (top and bottom of softs, and chrome seams), as well as RAW quality grids were received from CSA who were responsible for the geological modelling of the Mineral Resource. The limit of weathering was not defined in these grids.

The end wall shape of the shell is based on geotechnical guidelines/designs as per the August 2020 Geotechnical report from Latona.

A pit limit cut-off of 65 m depth was applied to the Western chrome resource area. No further cut-offs were necessary to be applied due to chrome qualities or thicknesses and the full chrome resource areas as per the chrome Mineral Resource Estimation was used in the LOM for the Western opencast area (Pit B).

Production scheduling was carried out in Deswik software based on targeted production of 30 000 tonnes per month.

As the Mineral Reserve is only based on an Indicated Mineral Resource, all Mineral Reserves are defined as a Probable Mineral Reserve. No Inferred Mineral Resources were included in the mine design. Table 1.10 below details the Probable Mineral Reserve estimate. This estimate is based on the Indicated Mineral Resource, the modifying factors and the mine schedule as outlined in the Report and represent the ore quantity and quality delivered to the plant. The Mineral Reserve estimates are impacted by rounding off, and this may result in minor computational discrepancies. Plant efficiencies have not been applied in estimating the Mineral Reserve. The CP was informed that there are significant historical tailings with potential economic ore, but these have not been included in any Mineral Reserve estimate. The economic analysis shows a profitable operation after applying plant efficiencies.

| Seam | Depth m | Width m | Tonnes millions | Density t/m ³ | Cr ₂ O ₃ % | Pt g/t | Pd g/t | Rh g/t | 3PGE g/t |
|--------------|------------|------------|--------------------|-----------------------------|-------------------------------------|-----------|-----------|-----------|-------------|
| MG1 | ≤65 | 0.65 | 0.20 | 4.07 | 32.65 | 0.79 | 0.20 | 0.17 | 1.16 |
| MG2 | ≤65 | 0.63 | 0.33 | 4.02 | 34.46 | 0.97 | 0.19 | 0.18 | 1.34 |
| MG3 | ≤65 | 0.89 | 0.48 | 3.95 | 29.17 | 1.05 | 0.49 | 0.30 | 1.84 |
| MG4A | ≤65 | 0.85 | 0.58 | 3.98 | 32.24 | 1.06 | 0.20 | 0.30 | 1.56 |
| MG4B | ≤65 | 0.83 | 0.58 | 4.02 | 31.42 | 0.47 | 0.16 | 0.17 | 0.80 |
| Total | | | 2.17 | 4.00 | 31.72 | 0.86 | 0.25 | 0.23 | 1.35 |

Competent Persons Conclusions and Recommendations

The CP has concluded that there are sufficient Probable Mineral Reserves on the MG seams to maintain a profitable operation for the next six years. There are several actions that should be concluded as soon as practically possible:

- Initiate work on the update the EMP, WULA and SLP.
- Finalise and conclude the offtake agreement with Stratore in regard to the PGM revenue stream.

There is significant potential to improve the economics of the operation. These include:

- Treatment of nearby tailings.
- Mining of the LG Seams.
- Investigate the potential of mining deeper, by either increasing the stripping ratio or by underground mining. This would require additional exploration to extend the Mineral Resource and further technical studies to prove the economics.

A risk assessment was undertaken for the Langpan Project as described above. The objective of the risk assessment was to identify risks to the purpose and outcomes of the study work completed for Langpan.

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The risk assessment assumed that the proposed mine would be operated according to best practice principles and that the operations would generally follow the planning and methods as proposed in the CPR. As such, operational issues were not considered as part of this risk assessment. However, at the commencement of mine development and operations, targeted risk assessments will address operational risks. Ensuing COP's (Codes of Practice) and SWP's (Safe Work Procedures) will be developed and maintained before activities take place.

The general procedure to compile the risk register was as follows:

- A risk matrix and rating system was developed for the project.
- A risk register template was issued to the primary consultants who worked on the project to pre-populate the register with possible risks.
- The returnable from the various team members was combined into a consolidated document.
- A workshop was conducted where each of the identified risks were discussed, evaluated, and rated.

The outcome of the risk assessment demonstrated that the project is a low-risk project with the highest residual risks listed below:

- Impact on ore quality due to faulting in pit leading to excessive dilution: This is a common risk in mining and is mitigated by appropriate high quality and ongoing geological input into the production operation which is then accounted for in the mine planning process.
- Lower than expected PGE recovery from tailings material in downstream processing (flotation) due to process issues, weathering of ore and/or lower than expected PGE grade upgrade ratio resulting in reduced revenues received from the sale of this material: Sensitivities have been run on a range of lower flotation recoveries based on available public domain information. All sensitivities showed that sale of this material will add value with lower value added for the lower recoveries.
- Commodity price and the Rand to US Dollar exchange rate: These are factors which cannot be controlled by Langpan. Variation in these two factors may increase or decrease the value of the project.

SALIENT FEATURES OF THE PERFORMANCE SHARE PLAN

Introduction

The Performance Share Plan ("**PSP**") is constituted and administered through the rules of the Performance Share Plan ("**PSP Rules**") and is intended to incentivise, motivate and retain employees of Mantengu Mining Limited (the "**Company**"), the Company's subsidiaries and associates and other entities identified by the directors of the Company (the "**Employer Companies**" and, collectively, the "**Group**") by providing such employees with the opportunity to own shares in the Company through the award ("**Award**") of a right, subject to the fulfilment of relevant conditions (as detailed below), to receive a number of ordinary shares in the Company ("**Conditional Shares**") at a future date ("**Vesting Date**"), as determined in accordance with the PSP Rules.

This summary of the salient terms of the PSP Rules is not exhaustive of all the terms of the PSP Rules, and the PSP Rules should be reviewed if further information is required in relation to the PSP.

Structure

Permanent salaried employees, directors and consultants (and an employee or director of a consultant) of Employer Companies (excluding any non-executive director of any company within the Group) ("**Employees**"), selected by the Remuneration Committee, are eligible to receive an Award in terms of the PSP.

The PSP Rules provide for the Remuneration Committee to grant Awards, at its discretion, to Employees selected by the Remuneration Committee following nominations by Employer Companies. Such Employees will become participants in the PSP ("**Participants**") if they accept, or are deemed to have accepted, the Award to them in accordance with the PSP Rules.

The vesting of the right to receive the relevant Conditional Shares following an Award may be subject to the Employee meeting the following conditions, the terms of which will be determined by the Remuneration Committee and set out in the award letter ("**Award Letter**") issued in respect of the Award: (i) that the Participant continues to be an Employee for such period as may be specified in the Award Letter ("**Employment Condition**"); (ii) performance-related conditions ("**Performance Conditions**") which must be satisfied in the period specified in the Award Letter ("**Performance Period**"); and/or (iii) any other conditions ("**Remaining Conditions**"). The Performance Conditions and Remaining Conditions applicable in respect of an Award (if any) will be objective and must be set out in (or attached to) the relevant Award Letter. The Remuneration Committee may substitute or vary Performance Conditions or Remaining Conditions in appropriate circumstances, but may only do so in a manner as is reasonable in the circumstances and produces a fairer measure of the performance of the Group and is not materially less or more difficult to satisfy.

At the end of a Performance Period provided for in relation to an Award, the Remuneration Committee will assess and review whether, and the extent to which, the Performance Conditions in respect of that Award have been met and, if the applicable conditions have been met, the Remuneration Committee will calculate the number of Conditional Shares that will vest in the Participant. The Conditional Shares will vest to the extent that the Remuneration Committee determines that the Performance Conditions and Remaining Conditions (as applicable) have been met. If there is a partial satisfaction of the applicable Performance Conditions and/or Remaining Conditions, the Remuneration Committee will be entitled in its discretion to determine that only some (and not all) of the Conditional Shares contemplated in the relevant Award will vest.

Following the vesting of Conditional Shares, the Participant will become entitled to the settlement of the ordinary shares in the Company ("**Shares**") comprised in the Award. The Participants are not required to pay any consideration for an Award or the settlement of the Shares comprised in an Award.

The Remuneration Committee will have the discretion to determine: (i) the quantum of Conditional Shares that will be provided for in the Awards to all Employees; (ii) the number of Conditional Shares that may comprise an Award to a particular Employee; (iii) whether the Award will recognise the inclusion of additional Shares equal in value to the dividends that a Participant would have earned if the Participant had held the relevant Shares from the date of the Award to the date on which the Shares vest.

PSP limits

Subject to adjustments as provided for in the PSP Rules: (i) the aggregate number of Shares that may be settled to Participants under the PSP may not exceed 86 300 000 Shares; and (ii) the maximum number of Shares that may be settled to a single Participant may not exceed 8 630 000 Shares.

The Remuneration Committee must adjust the PSP limits, as set out above, to take account of any subdivision or consolidation of the Shares. The Remuneration Committee may, without the approval of the shareholders of the Company in a general meeting, adjust the PSP limits, as set out above, to take account of a capitalisation issue, a special dividend, a rights issue or a reduction in the capital of the Company (excluding an issue of shares in consideration for the acquisition of an asset, an issue of shares for cash and the issue of shares for a vendor consideration placing). The auditor of the Company or other appropriate independent advisor will be appointed by the Company to confirm to the JSE that the adjustment has been properly and accurately calculated, on a reasonable and equitable basis. Any such adjustments will be reported on in the Company's financial statements in the year during which the adjustment is made.

Vesting, settlement and lapsing

An Award will vest, and the relevant Participant will become entitled to receive the relevant Conditional Shares pursuant to that Award, on the following dates, in each case provided that the applicable Employment Condition, Performance Conditions and Remaining Conditions (if any) specified in the Award Letter have been met:

- (a) in respect of an immediate award, the date in which the Award is made;
- (b) in respect of a short-term award: (i) the first one third of the Award will vest one year after the date of the Award; (ii) the second one third of the Award will vest two years after the date of the Award; and (iii) the final one third of the Award will vest three years after the date of the Award; and
- (c) in respect of a long-term award: (i) the first one third of the Award will vest three years after the date of the Award; (ii) the second one third of the Award will vest four years after the date of the Award; and (iii) the final one third of the Award will vest five years after the date of the Award.

Following vesting, the Participant will be entitled to receive the relevant Conditional Shares contemplated in the Award, provided that the Remuneration Committee may, if there are, in its discretion, exceptional circumstances that make it inappropriate for Shares to be delivered, determine that the Participant will instead be paid an equivalent amount in cash *in lieu* of the Shares. Settlement of Shares to Participants may be effected in accordance with any one of the settlement methods set out in the PSP Rules.

An Award will lapse on the earlier of:

- (a) the Remuneration Committee determining that the Performance Conditions and/or Remaining Conditions (if any) have not been satisfied either in whole or in part and can no longer be satisfied;

- (b) the date of termination of the Participant's employment with the Employer Company, subject to the provisions related to termination of Employment set out below;
- (c) the date on which an order for the final liquidation of the Company is granted; and
- (d) any other date provided for in the PSP Rules.

Termination of employment

All unvested Awards of a Participant will be forfeited and will lapse immediately if the Participant's employment is terminated due to a "fault" termination, which occurs if the Participant ceases to be an Employee by reason of the following: (i) resignation; (ii) dismissal on grounds of misconduct, proven poor performance, proven dishonesty, fraudulent conduct or conduct contrary to the interests of the Group or its shareholders; (iii) abscondment; or (iv) in the case of consultants (and the employees and directors of consultants), where the consultancy arrangement is terminated due to a breach by the consultant.

All unvested Awards of a Participant will vest on the date of termination of the Participant's employment if such termination is a "no fault" termination, which occurs if the Participant's employment is terminated due to the Participant's death, retrenchment (based on operational requirements), injury, disability or ill health, the Participant ceasing to be a member of the Group by virtue of being transferred to a transferee that is not a member of the Group or any other reason that is not a "fault" termination. If such an Award is subject to Performance Conditions or Remaining Conditions, the Award will vest as soon as it is reasonably practicable for the Remuneration Committee to determine the extent to which such conditions have been met. The Employment Condition applicable to the Award will be deemed to have been satisfied (without *pro-rating*).

If a Participant ceases to be an Employee by reason of retirement or early retirement (except where retirement is elected as the cause of termination of employment in instances which would have warranted cessation of employment as a "fault" termination), the Remuneration Committee has the discretion to treat the vesting of such Participant's Awards as a "no fault" termination or to provide that the Employee may continue to participate in the PSP post his retirement.

If a Participant's employment is terminated before the relevant vesting date for any other reason, such Participant's Award will, unless the Remuneration Committee determines otherwise in its sole discretion, vest on the date of termination of such Participant's employment or as soon as reasonably practically possible thereafter when the Remuneration Committee has determined the extent to which the Performance Condition and /or Remaining Conditions (if any) have been met to determine the extent to which the Award will vest.

Any portion of an Award that does not vest in will lapse on the date of termination of employment.

Change of control

If there is a change of control of the Company, the Participants' unvested Awards will vest on the date on which the change of control becomes effective or as soon as reasonably practicable thereafter, when the Remuneration Committee has determined the extent to which Performance Conditions and/or Remaining Conditions have been satisfied. Any portion of an Award that does not vest as a result of change of control will lapse. If there is an internal reconstruction, reorganisation or other event which does not constitute a change of control or if any other event happens which may affect Awards but which is not a change of control, the Remuneration Committee may, in its sole and absolute discretion, take such action (if any) as it considers appropriate to protect the interests of Participants following the occurrence of such event.

Variation in share capital

Certain corporate events or actions in relation to the Company are considered to be a "Variation in Share Capital". These include, but are not limited to a capitalisation issue, a rights issue, a subdivision of shares, a consolidation of shares, a scheme of arrangement, distributions by the Company and any

other circumstances relating to the Shares or the Company's ordinary share capital which affects or has the potential to affect the Awards. If there is a Variation in Share Capital of the Company, the Participants will continue to participate in the PSP and the Remuneration Committee may in such circumstances adjust the number of unvested Awards granted to Participants so as to place them in no worse position than they were in prior to the Variation in Share Capital.

If the Company is placed into liquidation for purposes other than reorganisation, all Awards will *ipso facto* lapse on the date on which an order for the final liquidation of the Company is granted.

Amendments and termination

Subject to compliance with the JSE Listings Requirements and approval of the JSE, the Remuneration Committee may at any time alter, vary or amend the conditions of the PSP as it deems fit. Such amendments may only affect Awards that have already been made if they are to the advantage of Participants. Certain amendments require the approval of the JSE and equity shareholders of the Company, by way of an ordinary resolution requiring a 75% majority of votes to be cast in favour of such resolution (excluding voting rights attaching to Shares controlled by persons as a result of the vesting of Awards under the PSP, who are existing Participants and who may be impacted by the amendments).

Approval of the PSP and PSP Rules

The adoption of the PSP and the PSP Rules must be approved, in terms of the Listings Requirements, by equity shareholders of the Company, by way of an ordinary resolution requiring a 75% majority of the votes cast in favour of such resolution by all equity shareholders of the Company present or represented by proxy.

Mantengu^o

Next Generation Mining

MANTENGU MINING LIMITED
(formerly Mine Restoration Investments Limited)

Incorporated in the Republic of South Africa

(Registration number 1987/004821/06)

Share code: MTU ISIN: ZAE000302360

("Mantengu" or "the Company")

NOTICE OF GENERAL MEETING

The definitions and interpretations commencing on page 10 of the Circular to which this Notice of General Meeting is attached, apply *mutatis mutandis* to this Notice of General Meeting and to the Resolutions set out herein.

If you are in any doubt as to what action you should take in respect of the following Resolutions, please consult your CSDP, broker, banker, attorney, accountant or other professional adviser immediately.

Notice is hereby given that a General Meeting of Mantengu Shareholders will be held at 10:00 on Thursday, 30 June 2022 to be conducted entirely by electronic facility / communication as permitted by section 63(2)(2) of the Companies Act, the JSE and clause 5.5 of the Mantengu MOI, in order to consider, and, if deemed fit, approve with or without modification, the following Resolutions set out herein.

The Board has determined that, in terms of section 59(1)(b) of the Companies Act, the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the General Meeting is Friday, 24 June 2022. Accordingly, the last day to trade Mantengu Shares in order to be recorded in the Company's securities register to be entitled to vote will be Tuesday, 21 June 2022.

ORDINARY RESOLUTION NUMBER 1 – PROPOSED ACQUISITION

"RESOLVED THAT, subject to the passing of Special Resolution Numbers 1, 2 and 3, the Proposed Acquisition (as more fully described in the Circular to which this Notice of General Meeting is attached) be and is hereby approved as a Category 1 Related Party transaction and a reverse take-over in terms of the Listings Requirements."

Explanatory note

The Proposed Acquisition constitutes a Category 1 Related Party transaction and a reverse take-over in terms of the Listings Requirements and accordingly, is subject to approval thereof by Shareholders by way of an Ordinary Resolution.

The votes of Related Parties and their associates would not be taken into account and, as such, votes by Messrs Miller and Collins and/or their associates on the Proposed Acquisition would be disregarded, but as Shareholders, could be taken into account in determining a quorum for the purposes of the General Meeting. Neither Messrs Miller and Collins, nor any of their associates, however, hold Shares in the Company as at the Last Practicable Date.

SPECIAL RESOLUTION NUMBER 1 – INCREASE IN AUTHORISED SHARE CAPITAL AND MOI AMENDMENT

“**RESOLVED THAT**, subject to the passing of Ordinary Resolution Number 1 in terms of the Listings Requirements and Special Resolution Numbers 2 and 3 in terms of the Companies Act, pursuant to sections 16(1)(c) and 36(2)(a) of the Companies Act and clause 2.3 of Mantengu’s MOI, and with effect from the date of filing of the required notice of amendment of the MOI with CIPC (which, for the avoidance of doubt, shall be prior to the date of issue of the Consideration Shares by Mantengu under the Share Purchase Agreement, should the Proposed Acquisition be approved by Shareholders):

(i) the Company’s authorised share capital comprising 1 000 000 000 no par value ordinary shares be and is hereby increased to 155 000 000 000 no par value ordinary shares, by the creation of an additional 154 000 000 000 no par value ordinary shares; and

(ii) clause 3.1.1.1 of Mantengu’s MOI be amended from:

“3.1.1 The authorised share capital of the Company immediately following the date of the adoption of this MOI consists of, and the Company is authorised to issue no more than:

3.1.1.1 1,000,000,000 (ONE BILLION) Ordinary Shares of a single class of shares with no nominal or par value, which is designated “**ordinary shares**”, each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as “**ordinary shareholders**”), to: –“

to

“3.1.1.1 155,000,000,000 (ONE HUNDRED AND FIFTY FIVE BILLION) Ordinary Shares of a single class of shares with no nominal or par value, which is designated “**ordinary shares**”, each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as “**ordinary shareholders**”), to: –.”

Explanatory note

Special Resolution Number 1 is required to be approved by Shareholders in order to increase the authorised share capital of the Company so as to provide for the issue of the Consideration Shares and the Rights Offer Shares, and to provide the Company with flexibility for any future Share issuances, as and when required, and in order to give effect to the amendments to Mantengu’s MOI pertaining to the Increase in Authorised Share Capital.

SPECIAL RESOLUTION NUMBER 2 – APPROVAL TO ISSUE THE CONSIDERATION SHARES IN TERMS OF SECTION 41(1) OF THE COMPANIES ACT

“**RESOLVED THAT**, subject to the passing of Ordinary Resolution Number 1 and Special Resolution Number 1, the Board be and is hereby authorised, to the extent required in terms of the provisions of section 41(1) of the Companies Act, to issue such number of the Consideration Shares to those Vendors falling within the ambit of section 41(1) of the Companies Act, being Directors of the Company or related or inter-related persons to the Directors, as is necessary to settle the portion of the Consideration Shares payable to such Vendors.”

Explanatory note

In accordance with the provisions of section 41(1), read with section 65(11)(d) of the Companies Act, a special resolution is required to be approved by shareholders in the event that shares are issued to (a) a director, future director, prescribed officer or future prescribed officer of the company; (b) person related or inter-related to the company, or to a director or prescribed officer of the company; or (c) nominee of a person contemplated in (a) or (b).

Special Resolution Number 2 authorises the issue of such number of the Consideration Shares to those Vendors falling within the ambit of section 41(1) of the Companies Act, being related or inter-related person to Messrs Miller and Collins.

SPECIAL RESOLUTION NUMBER 3 – APPROVAL TO ISSUE THE CONSIDERATION SHARES IN TERMS OF SECTION 41(3) OF THE COMPANIES ACT

“**RESOLVED THAT**, subject to the passing of Ordinary Resolution Number 1 and Special Resolution Number 1, the Board be and is hereby authorised, in accordance with the provisions of section 41(3) of the Companies Act, to issue the Consideration Shares.”

Explanatory note

In accordance with the provisions of section 41(3), read with section 65(11)(e) of the Companies Act, a special resolution is required to be approved by shareholders in the event that the voting power of a class of shares that are to be issued as a result of a transaction will exceed 30% of the voting power of that class of shares held by shareholders immediately prior to the transaction.

The issue of the Consideration Shares contemplates an issue by Mantengu of more than 30% of the Mantengu’s Shares currently in issue, and such issue accordingly requires the approval of Shareholders in terms of section 41(3) of the Companies Act.

SPECIAL RESOLUTION NUMBER 4 – SHARE CONSOLIDATION AND MOI AMENDMENT

“**RESOLVED THAT**, subject to the passing of Special Resolution Number 1 in terms of the Companies Act, pursuant to sections 16(1)(c) and 36(2)(a) of the Companies Act and clause 2.3 of Mantengu’s MOI, and with effect from the date of filing of the required notice of amendment of the MOI with CIPC (which, for the avoidance of doubt, shall be after the date of issue of the Consideration Shares and the Rights Offer Shares as described in paragraph 6 of the Circular to which this Notice of General Meeting is attached):

(i) the Company’s authorised share capital comprising 155 000 000 000 no par value ordinary shares and the Company’s then issued share capital be consolidated on a 1 000 to 1 basis (one Share for every 1 000 authorised and issued Shares), such that after such consolidation, the Company’s authorised share capital shall comprise 155 000 000 no par value ordinary shares and the Company’s issued share capital shall be reduced accordingly on 1 000 to 1 basis after taking into account rounding down for fractions on a per Shareholder basis; and

(ii) clause 3.1.1.1 of Mantengu’s MOI be amended from:

“3.1.1 The authorised share capital of the Company immediately following the date of the adoption of this MOI consists of, and the Company is authorised to issue no more than:

3.1.1.1 155,000,000,000 (ONE HUNDRED AND FIFTY FIVE BILLION) Ordinary Shares of a single class of shares with no nominal or par value, which is designated “**ordinary shares**”, each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as “**ordinary shareholders**”), to: –“

to

“3.1.1.1 155,000,000 (ONE HUNDRED AND FIFTY FIVE MILLION) Ordinary Shares of a single class of shares with no nominal or par value, which is designated “**ordinary shares**”, each of which rank *pari passu* in respect of all rights [**L.R. SCH. 10.5(a)**] and entitles the holders of these ordinary shares shall be referred to as “**ordinary shareholders**”), to: –.”

Explanatory note

Special Resolution Number 4 is required to be approved by Shareholders in order to reduce the number of Shares in issue pursuant to the Increase in Authorised Share Capital and subsequent issue of the Consideration Shares and the Rights Offer Shares, and in order to give effect to the amendments to Mantengu's MOI pertaining to the Share Consolidation.

ORDINARY RESOLUTION NUMBER 2 – ADOPTION OF THE PERFORMANCE SHARE PLAN

“Resolved that, subject to the passing of this resolution by more than 75% of the voting rights exercised thereon, the Performance Share Plan, which plan has been tabled at this General Meeting and initialled by the chairperson of the General Meeting, be and is hereby approved and adopted.”

Explanatory note

The reason for and effect of Ordinary Resolution Number 2 is to obtain the approval of Shareholders to adopt the Mantengu Performance Share Plan. In terms of the Listings Requirements, this Resolution requires more than 75% of the voting rights in favour thereof to be adopted.

ORDINARY RESOLUTION NUMBER 3 – ELECTION OF MR MAHLATSI MOVUNDLELA AS A DIRECTOR

“Resolved that Mr Mahlatsi Movundlela is elected as a director of the Company with effect from the date of passing of this resolution.”

A brief *curriculum vitae* of Mr Mahlatsi Movundlela is set out below.

Mahlatsi completed his articles at Deloitte in 2005, is a chartered accountant and senior executive with over 16 years' experience in business and leadership having held various positions, including Chief Financial Officer of Fabcos Enterprises, Audit Committee Member of the Chambers of Commerce and Industry of South Africa, Audit Partner at MJM Inc and Huruma Chartered Accounts, Audit & Risk Committee Member of the South African Energy Development Institute (SANEDI), and a Panel Member (Audit Development Programme Portfolio of Evidence) of the Independent Regulatory Board of Auditors (IRBA), prior to taking up his position at Mantengu in November 2020. Mahlatsi has honed expertise in financial strategy, business turnaround, capital raising, auditing and financial advisory services. He is a practiced negotiator and strategist. His notable expertise includes business turnaround, taxation, capital raising, cost management, risk management, strategy development and execution.

Explanatory note

Mr Mahlatsi Movundlela, who was appointed by the Board as an independent non-executive Director of the Company on 13 August 2020, was appointed by the Board as the new Chief Executive Officer and Executive Director of the Company with effect from 1 November 2020. The reason for and effect of Ordinary Resolution Number 3 is to obtain the confirmation of the appointment of Mr Mahlatsi Movundlela as a Director, through his election by Shareholders.

ORDINARY RESOLUTION NUMBER 4 – ELECTION OF MR THATO MAKGOLANE AS A DIRECTOR

“Resolved that Mr Thato Makgolane is elected as a director of the Company with effect from the date of passing of this resolution.”

A brief *curriculum vitae* of Mr Thato Makgolane is set out below.

Thato is a South African based, Canadian-designated chartered accountant and investment banker with over ten years of mining-related experience in investment banking, auditing, accounting and operations finance at both corporate and mine site environments in Canada and South Africa.

Between 2011 and 2014, Thato held the position of Audit Senior at Deloitte, Canada prior to his taking up various positions at two Canadian listed gold mining companies, Lake Shore Gold Corp and New Gold Inc, which he held until 2016. Thereafter, he returned to South Africa to take up an Investment

Banking Analyst position with Macquarie before being appointed as a Finance Manager with Powers and Phuti Industrial Suppliers (a mid-sized mining services company) in 2018.

Explanatory note

Mr Thato Makgolane, who was appointed by the Board as an independent non-executive Director of the Company on 13 August 2020, was appointed by the Board as the Financial Director and Executive Director of the Company with effect from 1 November 2020. The reason for and effect of Ordinary Resolution Number 4 is to obtain the confirmation of the appointment of Mr Thato Makgolane as a Director, through his election by Shareholders.

ORDINARY RESOLUTION NUMBER 5 – AUTHORITY GRANTED TO DIRECTORS

“**Resolved that** (to the extent required) each Director of Mantengu be and is hereby individually authorised, on behalf of Mantengu, to enter into, sign and/or despatch any and all such agreements, documents and notices, as may be necessary, expedient or desirable (in each case in the opinion of such Director) and do all such other things and procure the doing of all such things as may be necessary for or incidental to the implementation of The Proposed Acquisition, the Increase in Authorised Share Capital, the Share Consolidation, the amendments to Mantengu’s MOI, the issue of the Consideration Shares and the implementation of the Performance Share Plan, and should any such agreements, documents or notices have been signed, or any such action taken before the date of this resolution, such signature or action be and is hereby ratified and approved.”

Explanatory note

The adoption of this Ordinary Resolution Number 5 will authorise any Director of the Company to execute all documents and do all such further acts and things as he may in his discretion consider appropriate to implement and give effect to the Resolutions set out in this Notice of General Meeting.

It must be noted that Shares held by the Company’s trust or share scheme or Subsidiaries will not have their votes taken into account for Listings Requirements resolution approval purposes.

VOTING AND PROXIES

For an Ordinary Resolution to be adopted at the General Meeting, it must be supported by more than 50% of the voting rights exercised on the Resolution, save for Ordinary Resolution Number 2 which, in terms of the Listings Requirements, requires the support of at least 75% of the voting rights exercised on such Resolution.

For a Special Resolution to be adopted at the General Meeting, it must be supported by at least 75% of the voting rights exercised on the Resolution.

Shareholders are referred to the “Action Required by Mantenu Shareholders” section of this Circular which details the participation requirements and voting restrictions at the General Meeting, which meeting is to be conducted entirely by electronic facility/communication.

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy or proxies to attend, speak and vote (in the manner prescribed in the Circular) in his stead. A proxy need not be a Shareholder of the Company. For the convenience of registered Shareholders of the Company, a form of proxy is enclosed herewith.

The attached form of proxy is only to be completed by those Shareholders who:

- hold Shares in Mantengu in Certificated form; or
- are recorded on the electronic sub-register in “own name” Dematerialised form.

Shareholders who have Dematerialised their Shares through a CSDP or broker without “own name” registration and who wish to attend the General Meeting, must instruct their CSDP or broker to provide

them with the relevant letter of representation to attend the General Meeting and vote (in the manner prescribed).

If they do not wish to attend in person or by proxy, they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

Shareholders who hold Dematerialised Shares which are registered in their name or if they are the registered holder of Certificated Shares may attend the General Meeting, alternatively, they may appoint a proxy or proxies, who need not be a Shareholder of the Company to represent them at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains. Forms of proxy should be forwarded to reach the Transfer Secretaries, Computershare Investor Services Proprietary Limited, at least 48 hours, excluding Saturdays, Sundays and South African public holidays, before the time of the General Meeting. Any form of proxy not delivered by this time may be emailed to the Chairperson of the General Meeting at mike@mantengu.com immediately before the appointed proxy exercises any of the Shareholder's votes at the General Meeting.

Meeting participants, which include proxies, are required to provide identification reasonably satisfactory to the Chairperson of the General Meeting before being entitled to attend, participate in or vote a Shareholders' meeting. The Company will regard the presentation of participants' original drivers' licences, identity documents or passports to be satisfactory "identification".

By order of the Board

Neil Esterhuysen & Associates Inc.

Company Secretary

Johannesburg

Monday, 30 May 2022

Registered office

Mantengu Mining Limited
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2196
(PO Box 866, Rivonia, 2128)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Mantengu

Next Generation Mining

MANTENGU MINING LIMITED
(formerly Mine Restoration Investments Limited)

Incorporated in the Republic of South Africa
(Registration number 1987/004821/06)
Share code: MTU ISIN: ZAE000302360
("Mantengu" or "the Company")

FORM OF PROXY

For use only by Mantengu Shareholders who:

- hold Shares in Certificated form ("Certificated Shareholders"); or
- have Dematerialised their Shares ("Dematerialised Shareholders") and are registered with "own-name" registration,

at the General Meeting of Shareholders of the Company to be held at 10:00 on Thursday, 30 June 2022 to be conducted entirely by electronic facility/communication as permitted by section 63(2)(a) of the Companies Act, the JSE and the MOI.

Dematerialised Shareholders holding Shares other than with "own-name" registration, who wish to attend the General Meeting must inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the General Meeting and request their CSDP or broker to issue them with the relevant letter of representation to attend and participate in the General Meeting. If they do not wish to attend the General Meeting, they must provide their CSDP or broker with their voting instructions in terms of the relevant Custody Agreement entered into between them and the CSDP or broker. **These Shareholders must not use this form of proxy.**

I/We

(full name/s in block letters)

of (address)

Telephone work ()

Telephone home ()

Cellphone number

Email address

being the holder/custodian of shares of the Company, hereby appoint (see note):
1. or failing him/her,

2. or failing him/her,

3. the Chairperson of the General Meeting,

as my/our proxy to attend and act for me/us on my/our behalf at the General Meeting of the Company convened for purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each postponement or adjournment thereof, and to vote for and/or against such resolutions, and/or to abstain from voting for and/or against the resolutions, in respect of the Shares registered in my/our name in accordance with the following instructions:

| | Number of shares | | |
|--------------------------------------------------------------------------------------------------------------------------------|------------------|---------|---------|
| | For | Against | Abstain |
| Ordinary Resolution Number 1 – Proposed Acquisition | | | |
| Special Resolution Number 1 – Increase in Authorised Share Capital and MOI Amendment | | | |
| Special Resolution Number 2 – Approval to issue the Consideration Shares in terms of section 41(1) of the Companies Act | | | |
| Special Resolution Number 3 – Approval to issue the Consideration Shares in terms of section 41(3) of the Companies Act | | | |
| Special Resolution Number 4 – Share Consolidation and MOI Amendment | | | |

| | Number of shares | | |
|----------------------------------------------------------------------------------------|------------------|---------|---------|
| | For | Against | Abstain |
| Ordinary Resolution Number 2 – Adoption of the Performance Share Plan | | | |
| Ordinary Resolution Number 3 – Election of Mr Mahlatsi Movundlela as a Director | | | |
| Ordinary Resolution Number 4 – Election of Mr Thato Makgolane as a Director | | | |
| Ordinary Resolution Number 5 - Authority granted to Directors | | | |

Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.

Signed at _____ on _____ 2022

Signature _____

Assisted by (where applicable) _____

Full name _____

Capacity _____

Signature _____

Notes

1. Summary of Rights Contained in section 58 of the Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act")

Although the following is a summary of section 58 of the Companies Act, Shareholders are reminded that the General Meeting will be conducted entirely by electronic facility/communication and as such, there will be no physical meeting).

In terms of section 58 of the Companies Act:-

- a shareholder 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;
 - irrespective of the form of instrument used to appoint a proxy, 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 company; and
 - 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 (see note 6).
2. The form of proxy must only be used by Shareholders who hold Shares in certificated form or who are recorded on the sub-register in electronic form in "own name".
 3. All other beneficial owners who have Dematerialised their Shares through a CSDP or broker and wish to attend the General Meeting must provide the CSDP or broker with their voting instructions in terms of the relevant Custody Agreement entered into between them and the CSDP or broker.
 4. A Shareholder entitled to attend the General Meeting, and to vote, may insert the name of a proxy or the names of two alternate proxies of the Shareholder's choice in the space provided, with or without deleting "the Chairperson of the General Meeting". The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of such proxy(ies) whose names follow.
 5. A Shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary Share held. 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 space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the Shares held by the Shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she deems fit in respect of 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 the 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 the proxy.
 6. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting, notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the Shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the Company's Transfer Secretaries, Computershare Investor Services Proprietary Limited, not less than 48 (forty-eight) hours before the commencement of the General Meeting.
 7. If a Shareholder does not indicate on this form of proxy that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the General Meeting be proposed, such proxy shall be entitled to vote as he/she thinks fit.
 8. The Chairperson of the General Meeting may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.

9. A Shareholder's authorisation to the proxy including the Chairperson of the General Meeting, to vote on such Shareholder's behalf, shall be deemed to include the authority to vote on procedural matters at the General Meeting.
10. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
11. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Transfer Secretaries or is waived by the Chairperson of the General Meeting.
12. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Transfer Secretaries.
13. Where there are joint holders of Shares:
 - any one holder may sign the form of proxy;
 - the vote(s) of the senior Shareholders (for that purpose seniority will be determined by the order in which the names of Shareholders appear in the Company's register of ordinary Shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint Shareholder(s).

14. Forms of proxy should be provided to the Transfer Secretaries:

| | | |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Email to: proxy@computershare.co.za | Hand deliveries to: Computershare Investor Services Proprietary Limited Rosebank Towers 15 Biermann Avenue Rosebank, 2196 | Postal deliveries to: Computershare Investor Services Proprietary Limited Private Bag X9000 Saxonwold 2132 |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|

to be received by no later than 10:00 on Tuesday, 28 June 2022 (or 48 (forty-eight) hours before any adjournment of the General Meeting which date, if necessary, will be notified on the Stock Exchange News Service of JSE Limited) or may be emailed to the Chairperson of the General Meeting at mike@mantengu.com immediately before the appointed proxy exercises any of the Shareholder's votes at the General Meeting.

15. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or correction must be signed and not merely initialled.

Mantengu^o

Next Generation Mining

MANTENGU MINING LIMITED **(formerly Mine Restoration Investments Limited)**

Incorporated in the Republic of South Africa

(Registration number 1987/004821/06)

Share code: MTU ISIN: ZAE000302360

("Mantengu" or "the Company")

REVISED LISTING PARTICULARS

PREPARED IN TERMS OF THE LISTINGS REQUIREMENTS OF THE JSE LIMITED

The definitions commencing on page 167 of these Revised Listing Particulars apply throughout these Revised Listing Particulars, including this cover page.

These Revised Listing Particulars are not an invitation to the public to subscribe for Mantengu Shares, but are issued in terms of the JSE Listings Requirements for purposes of giving information to the public with regard to the Company. Although still subject to a number of conditions, these Revised Listing Particulars have been prepared on the assumption that the Proposed Acquisition and the issue of the Consideration Shares has been implemented.

At the date of these Revised Listing Particulars there are:

- 863 053 100 issued Mantengu Shares of no par value; and
- no Shares held in treasury.

Pursuant to the Proposed Acquisition and the issue of the Consideration Shares there will be:

- 138 363 053 100 issued Mantengu Shares of no par value; and
- no Shares held in treasury.

The Consideration Shares will rank *pari passu* in all respects with existing Mantengu Shares. There are no convertibility provisions relating to Consideration Shares.

The Directors, whose names appear on page 171 of these Revised Listing Particulars accept, collectively and individually, full responsibility for the accuracy of the information given herein in relation to the Company and certify that, to the best of their knowledge and belief, there are no facts in relation to the Company that have been omitted which would make any statement herein false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this document contains all information in relation to the Company required by law and the JSE Listings Requirements.

All advisors whose names and/or reports are contained in these Revised Listing Particulars have consented in writing to act in the capacity stated and to their names being included in these Revised Listing Particulars and, if applicable, to the inclusion of their respective reports in these Revised Listing Particulars in the form and context in which they appear and have not withdrawn their written consents prior to publication hereof.

Transaction Sponsor and Designated Adviser



Independent Expert

LETSEMA

Reporting Accountants



Competent Person



Auditors



Date of issue: Monday, 30 May 2022

Additional copies of these Revised Listing Particulars, in printed format, may be obtained from the registered office of the Company and the Transaction Sponsor and Designated Adviser at the addresses set out in the "Corporate information and advisors" section of these Revised Listing Particulars during normal business hours from Monday, 30 May 2022 up to and including, Thursday, 30 June 2022 subject to any applicable lockdown restrictions imposed as a result of the COVID-19 pandemic, and on the Company's website at www.mantengu.com. Copies of these Revised Listing Particulars are available in the English language only.

This document should be read with the Circular distributed with these Revised Listing Particulars.

CORPORATE INFORMATION AND ADVISORS

**Mantengu Mining Limited
(formerly Mine Restoration Investments Limited)****Date of incorporation:** 5 October 1987**Place of incorporation:** South Africa**Registered address of Mantengu**

(Registration number 1987/004821/06)
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2028
(PO Box 866, Rivonia, 2128)

Company Secretary

Neil Esterhuysen & Associates Inc.
(Registration number 2012/046043/21)
Units 23 and 24, Norma Jean Square
244 Jean Avenue
Centurion, 0157
(PO Box 814, Irene, 0062)

Transaction Sponsor and Designated Adviser

Merchantec Proprietary Limited
(Registration number 2008/027362/07)
13th Floor, Illovo Point
68 Melville Road
Illovo, 2196
(PO Box 41480, Craighall, 2024)

Reporting Accountants

HLB CMA (South Africa) Incorporated
Chartered Accountants (SA)
(Registration number 1997/013001/21)
CMA Office and Conference Park
No.1, Second Road, Halfway House, 1685
(Private Bag X168, Halfway House, Midrand, 1685)

Transfer Secretaries

Computershare Investor Services Proprietary
Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Langpan Mining Co Proprietary Limited**Date of incorporation:** 20 September 2017**Place of incorporation:** South Africa**Registered address of Langpan Mining Co**

(Registration number 2017/420702/07)
Lower Ground Floor Block F Pinmill
164 Katherine Street
Sandton, 2080
(PO Box 866, Rivonia, 2128)

Independent Expert

Letsema Corporate Finance Proprietary Limited
(Registration number 2017/115241/07)
1st Floor, 34 Melrose Boulevard
Melrose Arch
Johannesburg, 2196
(PO Box 1768, Gallo Manor, 2052)

Competent Person

Bara Consulting Proprietary Limited
(Registration number 2013/099536/07)
1st Floor, Cresta Corner
Cresta
Johannesburg, 2194
(PO Box 496, Cresta, 2118)

Auditors

Ngubane & Co (Johannesburg) Inc.
Chartered Accountants (SA)
(Registration number 2010/016757/21)
Ngubane House, 1 Superior Road
Midrand, 1685
(PO Box 8468, Halfway House, Midrand,
1685)

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DEFINITIONS AND INTERPRETATIONS

In these Revised Listing Particulars, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column hereunder have the meaning stated opposite them in the second column, as follows:

| | |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “ AltX ” | the Alternative Exchange of the JSE; |
| “ Announcement ” | the announcement released on SENS on 22 April 2022 wherein Shareholders were provided with the pertinent details of the Transactions; |
| “ Board ” or “ Directors ” | the board of directors of Mantengu; |
| “ Business Day ” | any day other than a Saturday, Sunday or a public holiday in South Africa; |
| “ Certificated Shareholder ” | a Mantengu Shareholder who holds Certificated Shares; |
| “ Certificated Share ” | a Mantengu Share that has not been Dematerialised, title to which is evidenced by a Document of Title; |
| “ Circular ” | the circular to Mantengu Shareholders dated Monday, 30 May 2022, detailing the Transactions, and which Circular these Revised Listing Particulars accompany; |
| “ Collins ” | Alistair Collins, a former Independent Non-executive Director of Mantengu, who by virtue of being a former Director of the Company, is classified as a Related Party; |
| “ Companies Act ” | the Companies Act, 2008 (Act 71 of 2008), as amended; |
| “ Competent Person ” | a person who is registered with the South African Council for Natural Scientific Professions, ECSA, the South African Geomatics Council or is a Member or Fellow of the Southern African Institute of Mining and Metallurgy, the Geological Society of South Africa, the Institute of Mine Surveyors of Southern Africa or a Recognised Professional Organisation, with such persons, for the purposes of the Competent Person’s Report referred to in this Circular being in the employ of Bara Consulting Proprietary Limited (Registration number 2013/099536/07), a private company duly registered and incorporated in accordance with the laws of South Africa, and Mantengu’s Consulting Engineers; |
| “ Competent Person’s Report ” | the report prepared by the Competent Person in compliance with section 12 of the Listings Requirements; |
| “ Consideration Shares ” | 137 500 000 000 Mantengu Shares (prior to the Share Consolidation) to be issued to the Vendors as consideration for the Proposed Acquisition in the relevant proportions as set out in Annexure 1 to the Circular; |
| “ COVID-19 ” | the name given by the World Health Organisation on 11 February 2020 for the disease caused by the coronavirus SARS-CoV-2. COVID-19 is the acronym that stands for coronavirus disease of 2019 ; |
| “ Creditor Compromise ” | <p>the agreement between Memor Mining, the shareholders and creditors of Memor Mining (referred to as the “Memor Mining Shareholders” and the “Memor Mining Creditors”, respectively) and Langpan Mining Co which is governed by a “Creditor Compromise Agreement” dated 29 June 2020, in terms of which the parties agreed, <i>inter alia</i>, that:</p> <ul style="list-style-type: none">- Memor Mining will settle an aggregate amount of R51.1 million, being the sum of the amounts owed to Memor Mining’s Creditors;- Langpan Mining Co will settle an aggregate amount of R40 million owing to certain Creditors (“Excess Amount”) <i>pro rata</i>, and which liability Langpan Mining has assumed in terms of cession agreement entered into between the Memor Mining Creditors and Langpan Mining Co on or |

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| | <p>about 29 June 2020 in terms of which such Creditors have transferred and ceded on an out-and-out basis to Langpan Mining Co the 'Ceded Rights' (representing the Excess Amount); and</p> <p>- Memor Mining will settle the share purchase consideration pursuant to Langpan Mining Co's acquisition of the entire issued share capital of Memor Mining, being an aggregate amount of R2.1 million, of which <i>pro rata</i> payment to the Memor Mining Shareholders is deferred until the Memor Mining Creditors have been paid in full in terms of the Creditor Compromise Agreement;</p> |
| "Dematerialisation" | the process by which Certificated Shares are converted into electronic format as Dematerialised Shares and recorded in Mantengu's Uncertificated Securities Register; |
| "Dematerialised Shareholder" | a Mantengu Shareholder who holds Dematerialised Shares; |
| "Dematerialised Share" | a Mantengu Share that has been Dematerialised or has been issued in Dematerialised form, and recorded in Mantengu's Uncertificated Securities Register; |
| "Documents of Title" | share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable documents of title acceptable to Mantengu in respect of Mantengu Shares; |
| "Effective Date" | with respect to the Proposed Acquisition, the date that is nine months from the date of signature of the Share Purchase Agreement, being 22 January 2023, or such other date as the parties thereto may agree upon in writing; |
| "Financial Markets Act" | Financial Markets Act, 2012 (Act 19 of 2012), as amended; |
| "General Meeting" | the general meeting of Mantengu Shareholders to be held at 10:00 on Thursday, 30 June 2022, to be conducted entirely by electronic facility/communication as permitted by section 63(2)(a) of the Companies Act, the Listings Requirements and Mantengu's MOI, which meeting is convened in terms of the Notice of General Meeting attached to and forming part of the Circular; |
| "Group" or "Mantengu Group" | Mantengu and, after the implementation of the Proposed Acquisition, Langpan Mining Co and its Subsidiary, Memor Mining; |
| "Increase in Authorised Share Capital" | the increase in authorised share capital of the Company from 1 000 000 000 Mantengu Shares to 155 000 000 000 Mantengu Shares, by the creation of a further 154 000 000 000 Mantengu Shares as detailed in paragraph 5 of the Circular; |
| "Independent Expert" | Letsema Corporate Finance Proprietary Limited (Registration number 2017/115241/07), being the independent expert appointed by the Board to provide the fairness opinion on the Proposed Acquisition for the purposes of paragraph 10.4(f) of the Listings Requirements; |
| "Independent Expert Report" | the report prepared by the Independent Expert, providing Mantengu Shareholders with the opinion of the Independent Expert, in accordance with the paragraph 10.4(f) of the Listings Requirements; |
| "JSE" | JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act; |
| "Langpan Farm" | the farm known as Langpan 371 KQ, situated 17 kilometres south of Thabazimbi (Limpopo) on the western limb of the Bushveld Complex; |
| "Langpan Mining Co" | Langpan Mining Co Proprietary Limited (Registration number 2017/420702/07), a private company duly incorporated in accordance with the laws of South Africa, the shareholders of which are, until the implementation of the Proposed Acquisition, the Vendors set out in Annexure 1 to the Circular, and the owner of the Mine and the Plant and |

| | |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Infrastructure, and the indirect owner of the Mining Right as a result of its acquisition of the entire issued share capital of Memor Mining; |
| “Last Practicable Date” | Friday, 20 May 2022, being the last practicable date prior to the finalisation of these Revised Listing Particulars |
| “Listings Requirements” | the Listings Requirements of the JSE, as amended from time to time by the JSE; |
| “Mantengu” or “the Company” | Mantengu Mining Limited (formerly Mine Restoration Investments Limited) (Registration number 1987/004821/06), a public company duly registered and incorporated under the laws of South Africa and listed on the AltX; |
| “Mantengu Shareholders” or “Shareholders” | holders of Mantengu Shares; |
| “Mantengu Shares” or “Shares” | ordinary shares of no par value in the authorised and/or issued share capital of Mantengu, as the case may be; |
| “Memor Mining” | Memor Mining Proprietary Limited (Registration number 2010/015039/07), a private company duly registered and incorporated under the laws of South Africa, a wholly-owned Subsidiary of Langpan Mining Co and the owner of the Mining Right; |
| “Merchantec Capital” or “Designated Adviser” or “Transaction Sponsor” | Merchantec Proprietary Limited (Registration number 2008/027362/07), a private company duly registered and incorporated under the laws of South Africa; |
| “Miller” | Michael Miller, the Non-executive Chairperson of Mantengu, who beneficially owns 100% of the issued shares in Disruption Capital and by virtue of being a Director of the Company, is classified as a Related Party; |
| “Mine” | the mine situated on Langpan Farm, the operation of which is to be conducted by Langpan Mining Co in terms of the Mining Right; |
| “Mining Right” | Memor Mining’s mining right to mine chrome and PGM (6E) on Langpan Farm; |
| “MOI” or “Mantengu MOI” | the memorandum of incorporation of Mantengu; |
| “Ordinary Resolution” | a resolution adopted by Shareholders with the support of more than 50% of the voting rights exercised on such resolution, or such higher threshold as may be required by the Listings Requirements, as the case may be; |
| “Performance Share Plan” or “PSP” | the Mantengu Performance Share Plan, the rules, terms and conditions of which were approved by the JSE on 14 December 2021, to be tabled at the General Meeting for approval by Shareholders, salient features of which are set out in Annexure 17 to the Circular and which is available for inspection as set out in paragraph 26 of the Circular; |
| “Proposed Acquisition” | the proposed Category 1 Related Party acquisition (reverse take-over) by Mantengu of 100% of Langpan Mining Co from the Vendors for an aggregate purchase consideration of R550 million, which purchase consideration is to be settled by way of issue of the Consideration Shares, and which is governed in terms of the Share Purchase Agreement; |
| “Plant and Infrastructure” | the operational plant and infrastructure which washes chrome ore and is situated on Langpan Farm, owned and operated by Langpan Mining Co; |
| “Rand” or “R” | South African Rand, the official currency of South Africa; |
| “Register” | Mantengu’s securities register, including the Uncertificated Securities Register; |
| “Related Party” | a related party as defined in the Listings Requirements; |

| | |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Resolutions” | collectively, the Ordinary Resolutions and the Special Resolutions to be proposed at the General Meeting, as contained in the Notice of General Meeting, and “Resolution” means any one of them as the context may require; |
| “Revised Listing Particulars” | the revised listing particulars of Mantengu, as required by paragraph 9.22 of the Listings Requirements; |
| “Rights Offer” | subject to the successful implementation of the Proposed Acquisition, a partially underwritten renounceable rights offer by Mantengu to its Shareholders in terms of which Shareholders will be entitled to subscribe for 150 000 000 new Shares (“Rights Offer Shares”) at a subscription price of 0.1 cent per Rights Offer Share prior to the Share Consolidation, full details of which will be communicated to Shareholders in due course, as the case may be; |
| “Sale Shares” | 100 000 ordinary shares, which constitute 100% of the issued share capital of Langpan Mining Co, which shares are beneficially owned by and registered in the name of the Vendors in the relevant proportions as set out in Annexure 1 to the Circular; |
| “SENS” | the Stock Exchange News Service of the JSE; |
| “Share Consolidation” | the consolidation of the authorised and issued ordinary share capital of the Company on a 1 000 to 1 basis as detailed in paragraph 7 of this Circular; |
| “Share Purchase Agreement” | the share purchase agreement entered into between Mantengu and the Vendors on 21 April 2022 in terms of which the Proposed Acquisition is governed; |
| “South Africa” | the Republic of South Africa; |
| “Special Resolution” | a resolution adopted by Shareholders with the support of at least 75% of the voting rights exercised on such resolution; |
| “Subsidiary” | a subsidiary as defined in the Companies Act; |
| “Transactions” | collectively: <ul style="list-style-type: none"> - the Proposed Acquisition; - an Increase in Authorised Share Capital; - the Share Consolidation; and - proposed amendments to the Mantengu MOI; |
| “Transfer Secretaries” | Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa; and |
| “Vendors” | the beneficial owners of the Sale Shares, which shares are registered in the names of such Langpan Mining Co shareholders in the relevant proportions as set out in Annexure 1 to the Circular. |

Mantengu^o

Next Generation Mining

MANTENGU MINING LIMITED
(formerly Mine Restoration Investments Limited)

Incorporated in the Republic of South Africa

(Registration number 1987/004821/06)

Share code: MTU ISIN: ZAE000302360

("Mantengu" or "the Company")

Directors

Executive

Mahlatsi Movundlela (Chief Executive Officer)

Thato Makgolane (Financial Director)

Non-executive

Michael Miller (Chairperson)

Vincent Madlela[^] (Lead Independent Director)

Jonas Tshikundamalema[^]

[^]Independent

REVISED LISTING PARTICULARS SECTION ONE – OVERVIEW OF THE MANTENGU GROUP

1. INTRODUCTION

Mantengu Shareholders are referred to the Announcement released on SENS on 22 April 2022 wherein Shareholders were advised of, *inter alia*,

- the Proposed Acquisition, which acquisition is to be settled through the issue by Mantengu of 137 500 000 000 Consideration Shares;
- the Increase in Authorised Share Capital;
- the proposed amendments to the Mantengu MOI;
- the intention of the Company to undertake a Rights Offer; and
- the Share Consolidation.

The Proposed Acquisition is a first step towards Mantengu's transformation from a cash shell into a mining house that promotes rural investment into sustainable mining projects on an inclusive and equitable basis.

In terms of paragraph 10.1(b)(ii) and paragraph 9.5(c) of the Listings Requirements, respectively, the Proposed Acquisition is classified as a Related Party transaction as certain of the Vendors are Directors and former Directors of the Company, and a reverse take-over as the percentage ratio in respect of the categorisation of the Proposed Acquisition is greater than 100%. Accordingly, the implementation of the Proposed Acquisition is subject to, *inter alia*, the approval of the relevant Resolution by an independent majority of Shareholders voting in favour thereof at the General Meeting.

These Revised Listing Particulars have been prepared on the assumption that the Proposed Acquisition and the issue of the Consideration Shares have been implemented, and are intended to provide Mantengu Shareholders with information in relation to the business, operations and prospects of Mantengu thereafter.

2. INCORPORATION, HISTORY, NATURE OF THE BUSINESS, STRATEGY AND PROSPECTS OF THE COMPANY

2.1 Incorporation, history and nature of the business

The Company, which was converted into a public company on 20 December 2010, was incorporated in South Africa on 5 October 1997 and was listed on the AltX on 25 June 2012. Mantengu has historically been an environmental service company holding two major investments, one in a coal fines processing and briquetting operation and the other in an acid mine drainage technology.

These investments were held through Mantengu's 100% shareholding in Western Utilities Corporation Proprietary Limited ("**WUC**"), invested in an acid mine drainage project. WUC held:

- 100% of the total share capital of Octavovox Proprietary Limited, which held the rehabilitation and processing rights to process coal fines at the Vaalkrantz Colliery; and
- 50% of the total share capital of Prodiflex Coal Proprietary Limited, which had access to and the right to distribute the binding material used in the production of briquettes.

The key driver behind these investments was the rehabilitation of existing mine operations. However, these businesses faced significant operational issues and as a result, were fully impaired. The coal fines processing and briquetting project was terminated due to *force majeure* in the guise of severe drought conditions, which led to a lack of water supply. Due to these unforeseen circumstances, the acid mine drainage project had no real prospect of commercial realisation and was terminated.

After closing down the coal operation in 2015, the Company focused on reducing all corporate costs whilst searching for investment opportunities. Having not traded since July 2016, with effect from 14 November 2017, the Company was classified by the JSE as a cash shell in terms of the Listings Requirements.

In anticipation of the Proposed Acquisition and in a bid to simplify its group structure, the Board took the decision and Mantengu disposed of its entire interest in its dormant Subsidiaries, WUC, Octavovox Proprietary Limited and Prodiflex Coal Proprietary Limited, to an independent third party on 28 February 2021.

Given the Company's vision to transform into a "next generation" mining, mining services and energy conglomerate as set out in paragraph 3.1 of the Circular, the Board proposed a change of name of the Company to "**Mantengu Mining Limited**" ("**Name Change**"), which Name Change was approved by Shareholders at the annual general meeting of the Company held on 2 November 2021. The listing of Shares on the JSE under the new name "Mantengu Mining Limited" took place from commencement of trade on Tuesday, 14 December 2021.

Mantengu is the Tsonga name for a Fork-tailed Drongo. Drongos are known to be one of the most intelligent birds in the African bush. They are small, nimble and gutsy birds and are well known for their ability to disrupt almost any environment and situation. The Drongo holds a specific relevance in African culture which spans across most tribal ethnicities. It can mimic more than 50 different bird calls in a bid to disrupt the ecosystem to either create opportunities or mitigate risk.

As set out in the Circular, Mantengu is in the process of acquiring Langpan Mining Co, the owner of the Mine and the Plant and Infrastructure and the indirect owner of the Mining Right as a result of the acquisition by Langpan Mining Co of the entire issued share capital of Memor Mining. As such, Mantengu will operate as a mining investment company.

2.2 Strategy and prospects

Details of Mantengu's strategy and prospects are set out in paragraph 3 of the Circular.

2.3 Financial year end

The financial year end of Mantengu is 28 February each year.

3. DIRECTORS AND MANAGEMENT

3.1 Details of Directors and management

3.1.1 The names, ages, qualifications, business addresses, functions and background of the executive and non-executive Directors of Mantengu, who will not change as a result of the Proposed Acquisition, are as follows:

Directors

Mahlatsi Movundlela (41) – Appointed 13 August 2020

Qualifications: CA(SA)

Business address: Lower Ground Floor Block F Pinmill, 164 Katherine Street, Sandton, 2196

Function: Chief Executive Officer

Background: Mahlatsi completed his articles at Deloitte in 2005, is a chartered accountant and senior executive with over 16 years' experience in business and leadership having held various positions, including Chief Financial Officer of Fabcos Enterprises, Audit Committee Member of the Chambers of Commerce and Industry of South Africa, Audit Partner at MJM Inc and Huruma Chartered Accounts, Audit & Risk Committee Member of the South African Energy Development Institute (SANEDI), and a Panel Member (Audit Development Programme Portfolio of Evidence) of the Independent Regulatory Board of Auditors (IRBA), prior to taking up his position at Mantengu in November 2020. Mahlatsi has honed expertise in financial strategy, business turnaround, capital raising, auditing and financial advisory services. He is a practiced negotiator and strategist. His notable expertise includes business turnaround, taxation, capital raising, cost management, risk management, strategy development and execution.

Thato Makgolane (34) – Appointed 13 August 2020

Qualifications: CA(Canada)

Business address: Lower Ground Floor Block F Pinmill, 164 Katherine Street, Sandton, 2196

Function: Financial Director

Background: Thato is a South African based, Canadian-designated chartered accountant and investment banker with over ten years of mining-related experience in investment banking, auditing, accounting and operations finance at both corporate and mine site environments in Canada and South Africa.

Between 2011 and 2014, Thato held the position of Audit Senior at Deloitte, Canada prior to his taking up various positions at two Canadian listed gold mining companies, Lake Shore Gold Corp and New Gold Inc, which he held until 2016. Thereafter, he returned to South Africa to take up an Investment Banking Analyst position with Macquarie before being appointed as a

Finance Manager with Powers and Phuti Industrial Suppliers (a mid-sized mining services company) in 2018.

Michael Miller (39) – Appointed 28 April 2017

Qualifications: BCom, PGDA, CA(SA), MCom Financial Management
Business address: 164 Katherine Street, Sandton, 2196
Function: Non-executive Chairperson
Background: Michael is a qualified accountant, having obtained a BCom, Post Graduate Diploma in Accounting and MCom in Financial Management from University of Cape Town. He served his articles at Deloitte and qualified as a Chartered Accountant in 2008. Michael is an accomplished development strategist with a passion for rural development. Between 2009 and 2012, Michael served as a ranger at Londolozi Game Reserve, and thereafter held the position of a senior commercial manager at Dimension Data for three of its businesses; Networking, IP telephony and Video. Michael currently serves as Chairman of Uneath Energy.

Vincent Madlela (50) – Appointed 23 July 2021

Qualifications: LLB, Admitted Attorney (South Africa)
Business address: 61 Wryneck Avenue, Ridgeway, 2091
Function: Lead Independent Non-executive Director
Background: Vincent, who is a Mining and Mineral Law Legal practitioner with 20 years' experience advising multinational listed mining companies, has focused the last 15 years on the full diamond value chain, including mining, recovery, marketing and beneficiation. Vincent has been involved in securing mineral tenure for clients and ensuring compliance with all local legislation and regulations. He has extensive experience and understanding of the implementation of mineral legislation. Vincent was the Group Manager, Legal and Stakeholder Relations for Trans Hex Group Limited from August 2005 to January 2018. Throughout this time, he was responsible for overseeing the functions of mineral right application and management, environmental compliance, legal compliance, marketing and trade of commodities, mine health and safety and corporate governance. Prior to his time at Trans Hex Group Limited, Vincent was the Legal Counsel for Anglo Gold Ashanti. Since 2018, Vincent has been doing consulting work through his own company, Mamokgoka Corporate Legal Advisers, and practicing as an attorney with Madlela Gewbu Mashamba Inc.

Jonas Tshikundamalema (49) – Appointed 25 April 2022

Qualifications: Professional Engineering Technologist; Professional Construction Project Manager
Business address: 45 Voortrekker Straat, Polokwane, 0700
Function: Independent Non-executive Director
Background: Jonas, who has held several senior board positions in the South African Institute of Civil Engineers (SAICE), Engineering Council of South Africa (ECSA), Roads Agency Limpopo (RAL) and the Mutale Chamber of Commerce (Chair), is an

entrepreneur with various investments in the property, agricultural and hospitality industries.

He has an extensive knowledge and understanding of Langanpan Mining Co owing to his strategic role and function within the Langanpan Mining Co business.

All the Directors of Mantengu are South African, and Michael Miller has dual citizenship (South African and the United Kingdom).

3.2 Details of Directors' directorships

The names of all companies and partnerships of which the Directors have been a director or partner in the previous five years are set out below:

| Director | Current directorships / partnerships | Registration |
|-----------------------|--------------------------------------------------|---------------------|
| Mahlatsi Movundlela | Movundlela Consulting Proprietary Limited | 2005/009427/07 |
| | Kemo Investments Proprietary Limited | 2017/278462/07 |
| | Naletha Capital Proprietary Limited | 2017/313980/07 |
| | Mashukudu James Maboja & Co | 2009/021884/21 |
| | Koloyee Proprietary Limited | 2021/732369/07 |
| | Fieldstone Africa Impact Management | 2021/526911/07 |
| Thato Makgolane | TM Professional Services Proprietary Limited | 2018/591863/07 |
| | 777FL Proprietary Limited | 2019/486770/07 |
| | Akhona Mining Services Proprietary Limited | 2018/524955/07 |
| | Education Without Borders (RF) NPC | 2017/481842/08 |
| Michael Miller | Langanpan Mining Co Proprietary Limited | 2017/420702/07 |
| | Memor Mining Proprietary Limited | 2010/015039/07 |
| | Disruption Capital Limited | 11931181 |
| | Sulizone Proprietary Limited | 2018/313150/07 |
| | Uearth Energy Proprietary Limited | 2016/206557/07 |
| | Uearth International Proprietary Limited | 2011/147521/07 |
| Vincent Madlela | VIN ABE Mining Services | 2021/484461/07 |
| | Cape Zircon | 2020/824985/07 |
| | Kalkvlei Resources | 2019/441733/07 |
| | Buchuberg Resources | 2018/116946/07 |
| | Mamokgoka Corporate Legal Advisors | 2018/023945/07 |
| Jonas Tshikundamalema | Erogen (Farming land) | - |
| | Putisolve Proprietary Limited | 2020/250475/07 |
| | Thondoni Lodge and Guest house | 2014/017350/07 |
| | Thondoni Properties | 2007/190076 |
| | Zwonaka Trading | 2002/018123 |
| | Ndivho Consulting Engineers and Project Managers | 2003/020605 |
| | Ndivho Consulting Engineers cc | 2000/067704 |
| | Mutale integrated Energy Centre | 2004/000057 |
| | Voyager Fleet Control | 2006/075831 |

| | |
|--------------------------------------|-------------|
| Minutes Farm | 2018/235038 |
| Euphoria Home Owners Association | 2005/031867 |
| Bendor Ridge Home Owners Association | 2006/017495 |
| Jonas Tshikundamalema Foundation | - |

3.4 Directors' declaration

3.3.1 Save for the Creditor Compromise Agreement between Memor Mining and Langan Mining Co, of which companies Michael Miller is a director, and as set out in paragraphs 3.3.2 to 3.3.4 below, each Director has confirmed that he has not been involved in, and is not subject to, any:

- bankruptcies, insolvencies or individual voluntary compromise arrangement;
- any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements, or any compromise or arrangement with creditors generally or any class of creditors of any company where the Director is or was a director with an executive function at the time of or within 12 months preceding such events;
- compulsory liquidations, administrations, partnership voluntary arrangements of any partnership where the Director was a partner at the time of or within 12 months preceding such events;
- receiverships of any asset/s of such person or of a partnership of which the Director is or was a partner at the time of or within 12 months preceding such events;
- public criticism by statutory or regulatory authorities or disqualified by a court from acting as a director or in the management or conduct of the affairs of any company;
- offence involving dishonesty;
- removal from an office of trust, on the grounds of misconduct, involving dishonesty; or
- any order granted by court declaring the person delinquent or placing the person under probation in terms of section 162 of the Companies Act and/or section 47 of the Close Corporations Act, 1984 (Act No.69 of 1984) or if the person was disqualified by a court to act as a director in terms of section 219 of the Companies Act, 1973.

3.3.2 On 9 July 2020, the Company's former auditors, BDO South Africa Incorporated ("**BDO**"), notified the Board of a possible reportable irregularity ("**RI**") relating to the "possibility of trading recklessly and the allegations made against certain directors". On 20 August 2020, BDO notified the Board that a RI had been raised on 7 August 2020 and that the reported particulars of the irregularity had been reported to Independent Regulatory Board for Auditors ("**IRBA**"). The RI relating to certain director's contraventions of the Companies Act was found to be consistent with the reportable irregularity continuing. In order to remedy the RI, the implicated directors vacated the Board and new Directors were appointed to bolster the Board's governance credentials as detailed below:

- on 24 July 2020, the Board terminated the appointments of Messrs Richard Tait and Quinton George;

- on 13 August 2020, the Board appointed Messrs Mahlatsi Movundlela and Thato Makgolane as Independent Non-executive Chairman and Independent Non-executive Director, respectively. Shareholders will be requested to consider, and if deemed fit, to approve (with or without modification) the Resolutions regarding the election of Messrs Mahlatsi Movundlela and Thato Makgolane as Directors following their appointments by the Board, at the General Meeting;
- on 28 August 2020, Messrs Syd Caddy and Chris Roed resigned as directors;
- on 23 July 2021, Mr Vincent Madlela was appointed to the Board as the Lead Independent Non-executive Director. Shareholders approved this appointment in the annual general meeting of the Company on 2 November 2021.

3.3.3 On 10 October 2019, it was announced on SENS that the Company had entered into a share purchase agreement with the shareholders of Langpan Mining Co in terms of which the shareholders would dispose of their entire shareholding in Langpan Mining Co for an aggregate purchase consideration of R550 000 000, to be settled through the issue by Mantengu of 137 500 000 000 new Shares (“**Proposed Transaction**”).

However, on 13 July 2020, it was announced that the aforementioned share purchase agreement had lapsed. While the Company remained in discussions with the shareholders regarding the Proposed Transaction, the lapse of the share purchase agreement had given rise to the possibility that the Company was potentially trading without reasonable expectation of being able to meet its liabilities and that there was a danger of the business being carried on recklessly. Mantengu Shareholders were advised that the Board would fully consider these, and other issues, relating to the strategy of the Company and provide further information.

On 20 July 2020, Shareholders were advised that on 14 July 2020 the former members of the Board, noted in 3.3.2 above, had resolved to commence with voluntary business rescue proceedings as provided for in section 129 of the Companies Act.

Shareholders were subsequently advised that on 24 July 2020, an urgent application had been submitted to the High Court of South Africa, Gauteng Central Division, to have the Business Rescue Process set aside (“**Urgent Application**”). The Urgent Application was heard on 11 August 2020 and judgement was handed down on the same day (“**Judgement**”). In terms of the Judgement, the resolution authorising the Business Rescue Process was set aside.

On 13 August 2020, a new share purchase agreement was entered into between the Company and the shareholders of Langpan Mining Co (“**Initial Vendors**”).

As a result of certain delays, which included obtaining an updated Independent Expert Report based on the Competent Person’s Report as approved by the Readers Panel in December 2021 and the audit of Langpan Mining Co’s historical financial information, which historical financial information is required to be included in this Circular, there has been a change in certain of the Initial Vendors of Langpan, and accordingly, the Share Purchase Agreement dated 21 April 2022 was entered into between the Company and the Vendors.

3.3.4 On 16 September 2020, the Board received a demand notice from a 17.38% Shareholder, calling for a Shareholders’ meeting in terms of section 61(3) of the Companies Act. The purported reason for the Shareholder meeting was, *inter alia*, to re-appoint the dismissed directors, and to terminate the appointments of the entire Board. The stated aim for the dismissal of the entire Board was to prevent the terms of the Proposed Transaction and the Rights Offer as set out in the announcement

released on SENS on 20 August 2020 from being put to the Shareholders for their consideration. Instead, in order to protect the interests of the Company, its Shareholders and creditors and the Proposed Transaction, the Board entered into a commercial settlement agreement on 27 October 2020 with the aforementioned Shareholder and the dismissed Directors (“**Settlement Agreement**”). The Settlement Agreement comprises the following material outcomes:

- the Board including a resolution in terms of section 75(7)(b)(i) of the Companies Act in the notice of general meeting to have been constituted in terms of section 61(3) of the Companies Act; and
- the Shareholder agreeing to sell its 17.38% shareholding in the Company to an independent third party.

On 28 October 2020, the call for the Shareholders’ meeting to propose a resolution in terms of section 75(7)(b)(i) of the Companies Act was unconditionally withdrawn.

3.4 Other

In the three years preceding the date of the Circular:

- no amount has been paid, or accrued as payable, as commission to any person, including commission paid or payable to any sub-underwriter that is a holding company or a promoter or Director or officer of Mantengu, for subscribing or agreeing to subscribe, or procuring, or agreeing to procure, subscriptions for any Shares in Mantengu;
- no commissions, discounts or brokerages were paid, or any special terms granted, to any person in connection with the issue or sale of any in Mantengu Shares, other than as disclosed in any audited annual financial statements;
- there have been no material acquisitions by Mantengu, or proposed acquisitions of any securities in, or the business undertakings of any other companies or business enterprises or any immovable properties or other properties in the nature of a fixed asset (collectively “the property”) or any option to acquire such properties, as determined according to the size of the transaction relative to the market capitalisation and/or the total net asset value of in Mantengu at the effective date of the transaction;
- no amount has been paid to any promoter, partnership, company, syndicate or other association in the promotion of in Mantengu or in any property as referred to above;
- no Director, or any partnership, syndicate or any other association of which he is a member, or any of his associates, has been paid to induce him, or qualify him to become a Director, or for the promotion of in Mantengu; and
- no royalties have been paid by Mantengu or any of its Subsidiaries.

There is no degree of government protection or any investment encouragement law affecting the Mantengu Group.

3.3 Directors’ interests in securities and Directors’ interests after the Proposed Acquisition

Details of the Directors’ interests in Mantengu Shares are set out in paragraphs 12.1 and 12.3 of the Circular.

3.4 Directors’ emoluments

Details of the Directors’ emoluments are set out in paragraphs 12.4 and 25 of the Circular.

3.5 Directors’ services contracts

Details of the Directors’ service contracts are set out in paragraph 12.5 of the Circular.

3.6 Additional information related to the Directors

The relevant provisions of the Mantengu MOI pertaining to the Directors, including borrowing powers, are set out in **Annexure 14** to the Circular.

4. MAJOR AND CONTROLLING SHAREHOLDERS

Details of the major and controlling Shareholders are set out in paragraph 11 of the Circular.

5. PROPERTY AND BUSINESS UNDERTAKINGS ACQUIRED OR TO BE ACQUIRED

On 22 April 2022, the Company announced that it would be acquiring 100% of Langpan Mining Co from the Vendors for an aggregate purchase consideration of R550 million, which purchase consideration is to be settled through the issue by Mantengu of 137 500 000 000 Shares.

Save as disclosed above, no material immovable properties and/or fixed assets and/or business undertakings have been acquired by the Mantengu within the past three years or are in the process of being or are proposed to be acquired by Mantengu (or which Mantengu has an option to acquire).

6. PROPERTY, ASSETS AND BUSINESS UNDERTAKINGS DISPOSED OF OR TO BE DISPOSED OF

Mantengu disposed of its entire interest in its dormant Subsidiaries, Western Utilities Corporation Proprietary Limited, Octavovox Proprietary Limited and Prodiflex Coal Proprietary Limited to an independent third party on 28 February 2021 for R1.

Save as disclosed above, no material immovable properties and/or fixed assets and/or business undertakings have been disposed of by the Mantengu within the past three years preceding the Last Practicable Date or are intended to be disposed of within six months of these Revised Listing Particulars.

SECTION TWO – FINANCIAL INFORMATION

7. PRO FORMA FINANCIAL INFORMATION

7.1 **Annexure 2** of the Circular contains the *pro forma* financial information of Mantengu.

7.2 The independent reporting accountant's assurance report thereon is set out in **Annexure 3** of the Circular.

8. TRADING HISTORY OF SHARES

Shareholders are referred to the announcement released on SENS on 29 July 2016 wherein the Company advised, *inter alia*, that the Board had applied to the JSE for the voluntary suspension of Mantengu's Shares on the JSE with immediate effect. The last trade, prior to the voluntary suspension of Mantengu Shares occurred on 26 July 2016 at R0.03.

9. DIVIDENDS AND DISTRIBUTIONS

Annexure 14 of the Circular contains details of the rights to dividends, profits or capital or any other rights of each class of securities.

10. MATERIAL LOANS AND BORROWINGS RECEIVABLE

Details of material loans of and borrowings receivable by Mantengu as at the Last Practicable Date are set out in paragraphs 14.1 and 14.4 of the Circular, respectively.

11. MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

Paragraph 14.2 of the Circular contains details of material commitments, lease payments and contingent liabilities.

SECTION THREE – ADDITIONAL MATERIAL

12. MATERIAL CHANGES

Details of material changes are set out in paragraph 15 of the Circular.

13. MATERIAL CONTRACTS

Details of material contracts are set out in paragraph 13 of the Circular.

14. COMMISSIONS PAID OR PAYABLE BY MANTENGU

14.1 No commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue or sale of any securities in the capital of the Company in the three years preceding the date of these Revised Listing Particulars, other than as disclosed in any audited annual financial statements.

14.2 The Group is not subject to any royalty arrangements.

14.3 The Group is not subject to any management agreements.

15. ADEQUACY OF CAPITAL

Refer to paragraph 16 of the Circular for the working capital statement.

16. ADVISORS' AND COMPANY SECRETARY'S INTERESTS IN MANTENGU

The names and business addresses of the Company's advisors and the Company Secretary are set out in the "Corporate information and advisors" section. The Company's advisors do not have any interests in Mantengu Shares.

17. GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW

There is no degree of government protection or any investment encouragement law affecting the Mantengu Group.

18. CORPORATE GOVERNANCE

Annexure 12 of the Circular contains the Company's corporate governance statement.

19. LITIGATION STATEMENT

Refer to paragraph 17 of the Circular for the litigation statement.

20. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out on page 171 of these Revised Listing Particulars, collectively and individually, accept full responsibility for the accuracy of the information given in relation to Mantengu 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 these Revised Listing Particulars contain all information required by law and the Listings Requirements.

21. EXPERTS' CONSENTS

The Transaction Sponsor and Designated Adviser, the Independent Expert, the Competent Person, the auditors and reporting accountants and the transfer secretaries have consented in writing to act in the capacities stated and to their names being stated in these Revised Listing

Particulars and, where applicable, to the inclusion of their reports in the form and context in which they have been reproduced in the Circular in **Annexures 3, 4, 6, 9, 11A, 11B and 16** have not, prior to the Last Practicable Date, withdrawn their consents prior to the publication of these Revised Listing Particulars.

22. COSTS

The preliminary costs and issue expenses incurred as a result of the Transactions are set out in paragraph 24 of the Circular.

23. DOCUMENTS AVAILABLE FOR INSPECTION

The documents available for inspection are set out in paragraph 26 of the Circular.

24. DOCUMENTS INCORPORATED BY REFERENCE

The documents incorporated by reference are set out in paragraph 25 of the Circular.

SIGNED BY M MOVUNDLELA ON BEHALF OF THE DIRECTORS OF MANTENGU MINING LIMITED, BEING DULY AUTHORISED IN TERMS OF POWERS OF ATTORNEY GRANTED TO HIM BY SUCH DIRECTORS

M Movundlela
Chief Executive Officer

Monday, 30 May 2022