



BOARD OF DIRECTORS

CHARTER

ZAMBEZI PLATINUM (RF) LIMITED
("Zambezi" or "the company")

BOARD OF DIRECTORS
("the board")

CHARTER

1. INTRODUCTION

Zambezi was incorporated as a special purpose vehicle, ring fenced in terms of the Companies Act No. 71 of 2008 as amended ("the Companies Act") (restricted in terms of its activities) and listed on the JSE Limited Debt Exchange (JSE), to facilitate the Northam Platinum Limited ("Northam") Broad-Based Economic Empowerment ("BEE") ("Northam BEE Transaction").

2. PURPOSE

The purpose of this charter is to set out the board's role and responsibilities as well as the requirements for its composition and meeting procedures, subject to the restrictions contained in the company's Memorandum of Incorporation ("MOI").

3. BOARD COMPOSITION

- 3.1 The company shall maintain a unitary board which shall comprise of a majority of non-executive directors.
- 3.2 The chairperson of the board, who shall be elected by the board annually, shall be a non-executive director.
- 3.3 The board shall decide on any appointments to the board, subject to shareholder approval, in accordance with clause 25 of the company's MOI. The process shall be formal and transparent.

4. RESPONSIBILITIES OF THE BOARD

Directors' responsibilities, rights, obligations and duties are set out in the MOI, the Companies Act, the JSE Listings Requirements and Common Law will apply. The board shall ensure that each director adheres to the duties of a director.

The role and responsibilities of the board shall be to:

- 4.1 Assume ultimate accountability and responsibility for the performance and affairs of the company and in so doing effectively represent and promote the best interests of the company and its shareholders in a manner that is legal, ethical

and sustainable.

- 4.2 Comply with all relevant legislation and maintain strict confidentiality of all information pertaining to the business of the company.
- 4.3 Manage potential conflicts of interest of board members and shareholders.
- 4.4 Ensure that disputes are resolved as effectively and efficiently as possible.
- 4.5 Be responsible for ensuring that an adequate and effective process for corporate governance is established.
- 4.6 Ensure that the company complies with applicable laws and regulations.
- 4.7 Ensure the integrity of the company's annual report.
- 4.8 Approve the appointment and removal of the company secretary.
- 4.9 Ensure business rescue proceedings commence should the company become financially distressed.

5. BOARD MEETINGS

- 5.1 The holding of board meetings must comply with the Companies Act and the MOI.
- 5.2 Attendance:
 - 5.2.1 Board members will use their best endeavours to attend all board meetings (including meetings called at short notice for special matters) and to prepare thoroughly. Board members are expected to participate fully, transparently and constructively in board discussions and other activities and add value by applying their particular expertise, knowledge, skills and abilities to the board.
 - 5.2.2 The company secretary is the secretary to the board.
 - 5.2.3 Board members who are unable to attend shall submit an apology to the company secretary.
 - 5.2.4 If the chairperson of the board is absent from a meeting, or the deputy chairperson as the case may be, the members present must elect one of the members present to act as chairperson.
 - 5.2.5 Professional advisors may attend board meetings, but by invitation only (they may not vote).

5.3 Frequency and Quorum:

5.3.1 Meetings of the board will be held at such time and at such venue as the board deems appropriate, but it will normally meet at least once a year or at the call of the chairperson of the board.

5.3.2 The quorum necessary for the transaction of business is determined by clause 30.6 of the company's MOI, where a majority of directors, which must include the Appointed Director, are to be present at a board meeting before a vote may be called.

5.4 Agenda and meeting documents:

5.4.1 The agenda shall be prepared by the company secretary and approved by the chairperson.

5.4.2 Unless under exceptional circumstances, at least 7 days' notice shall be given for a meeting of the board.

5.4.3 The company secretary shall circulate the agenda and other meeting documents or reports to board members at least 2 working days before the date of the meeting.

5.4.4 A record of board submissions and papers, and of material presented to the board, shall be maintained and held by the company secretary together with the minutes of meetings and will be accessible to directors. The minutes of the meetings shall be circulated in good time for members to review and will be formally approved by the board at its next scheduled meeting.

5.5 Conflicts of Interest:

5.5.1 Board members are required to inform the board of any conflicts or potential conflicts of interest they may have in relation to particular items of business or the company as a whole before every board meeting.

5.5.2 Board members should absent themselves from discussion or decisions on matters in which they have an actual, perceived or potential conflict of interest.

5.5.3 Board members should inform the chairperson, or in his absence, the company secretary of their intention to take up a directorship.

6. BOARD COMMITTEES

- 6.1 The board is authorised to form well-structured committees in accordance with clause 25 of the company's MOI.
- 6.2 Each such committee shall be established with formal terms of references approved by the board.
- 6.3 Delegating authority to board committees does not in any way mitigate or dissipate the discharge by the board and its members of its duties and responsibilities.
- 6.4 Minutes of the committees meetings shall be circulated to the board.
- 6.5 The chairman of each committee shall report back to the board at each board meeting on a general principle of transparency and full disclosure.

7. DIRECTORS DEALINGS IN ZAMBEZI AND NORTHAM SHARES ("SHARES")

Board members are required to obtain prior approval from the chairperson, or in his absence, the company secretary for dealings in the company's shares, by either them or their direct family members. Such approval will not be unreasonably withheld but will not be granted during any embargo or closed period in terms of the JSE Listing Requirements. It is incumbent on the director to establish when these closed periods apply.

8. GENERAL

Northam shall ensure that an insurance policy is in place to indemnify the directors against any loss arising out of a claim for wrongful acts and for which the company is permitted to grant indemnification to the directors.

If any part of the charter conflicts with anything contained in the MOI, the MOI shall take precedence.

APPROVAL

This charter should be reviewed at least once every three years to ensure compliance with applicable laws and regulations.

Signed by:

Chairman of the Board
Zambezi Platinum (RF) Limited

30 June 2016