IMPORTANT: You must read the following disclaimer before continuing.

The following disclaimer applies to the attached prospectus (the "**Prospectus**") issued by Zambezi Platinum Limited (the "**Company**") and the accompanying renounceable offer ("**Offer**") circular (the "**Offer Circular**") issued by Northam Platinum Limited ("**Northam**") and you are therefore advised to read this carefully before reading, accessing or making any other use of the attached Prospectus or the Offer Circular. In accessing the attached Prospectus or the Offer Circular, you agree to be bound by the following terms and conditions, including any modifications, that are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the applicable laws, to them from time to time, each time you receive any information from the Company as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached Prospectus or the Offer Circular is confidential and intended only for you and **you agree that you will not forward, reproduce, copy, download or publish this electronic transmission or the attached Prospectus and the Offer Circular (electronically or otherwise) to any other person other than as may be permitted in terms of the attached Prospectus and the Offer Circular.**

The attached Prospectus and the Offer Circular are only addressed to and directed at persons in member states of the European Economic Area ("**EEA**") who are "qualified investors" within the meaning of Article 2(1)(e) of the prospectus directive ("**Qualified Investors**") (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State of the EEA ("**Relevant Member State**") and any implementing measure in each Relevant Member State (the "**Prospectus Directive**"). In addition, in the United Kingdom ("**UK**"), the attached Prospectus and the Offer Circular are being distributed only to, and are directed only at, Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act, 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") and Qualified Investors falling within Article 49(2)(a) to (d) of the Order, and (ii) to whom they may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**"). The attached Prospectus and the Offer Circular must not be acted on nor relied upon in (i) the UK, by persons who are not Relevant Persons, or (ii) any Relevant Member State other than the UK, by persons who are not Qualified Investors. Any investment or investment activity to which the attached Prospectus and the Offer Circular relates is available only to (i) in the UK, Relevant Persons, and (ii) in any Relevant Member State other than the UK, Qualified Investors, and will be engaged in only with such persons.

The securities referenced in the attached Prospectus and the Offer Circular may only be distributed in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act of 1933, as amended (the "**U.S. Securities Act**") ("**Regulation S**") or within the United States ("**U.S.**") to Qualified Institutional Buyers ("**QIBs**"), as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**"). Any forwarding, redistribution or reproduction of the attached Prospectus and the Offer Circular in whole or in part is unauthorised. Failure to comply with this notice may result in a violation of the U.S. Securities Act or the applicable laws of other jurisdictions.

Nothing in this electronic transmission constitutes an offer of securities for sale in the U.S. or any other jurisdiction where it is unlawful to do so. The securities have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the U.S. or in any other jurisdiction other than South Africa and may not be offered, sold, pledged or otherwise transferred (i) in or into the U.S., except to a person that the holder and any person acting on its behalf reasonably believes is a QIB or (ii) outside the U.S., except in offshore transactions in accordance with Rule 903 and 904 of Regulation S, in each case in accordance with any applicable securities laws of any state of the U.S. or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state or local securities laws.

Confirmation of your representation: By accepting electronic delivery of the attached Prospectus and the Offer Circular, you are deemed to have represented to the Company, Northam and their advisors that (i) you are acting on behalf of, or you are either (a) a person outside the U.S. (as defined in Regulation S), or (b) a QIB in the U.S. that is acquiring securities for its own account or for the account of another QIB; (ii) if you are in the UK, you are a Relevant Person; (iii) if you are in any Relevant Member State other than the UK, you are a Qualified Investor; (iv) the securities acquired by you pursuant to the attached Prospectus and the Offer Circular have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale in any Relevant Member State to Qualified Investors; and (v) if you are outside the U.S., UK and EEA (and the electronic mail address that you gave to the Company and to which the attached Prospectus and the Offer Circular have been delivered is not located in such jurisdictions) you are a person into whose possession the attached Prospectus and the Offer Circular may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located.

The attached Prospectus and the Offer Circular have been made available to you in an electronic form. You are reminded that a prospectus or circular transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, its advisors, or any of their respective affiliates, directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus and the Offer Circular distributed to you in electronic format and any printed copy. By accessing the Prospectus and/or the Offer Circular, you consent to receiving them in electronic form.

A printed copy of the attached Prospectus and/or the Offer Circular will be made available to you only upon request.

Restriction: Nothing in this electronic transmission constitutes, or may be used in connection with, an offer of securities for sale to persons other than the specified categories of institutional buyers described above and to whom it is directed and access has been limited so that it shall not constitute a general solicitation. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

None of the Company's and Northam's advisors, or any of their respective affiliates, or any of their respective directors, officers, employees or agents accept any responsibility whatsoever for the contents of the attached Prospectus and the Offer Circular or for any statement made or purported to be made by it, or on its behalf, in connection with the Company and/or Northam or the attached Prospectus or the Offer Circular. The Company's and Northam's advisors and any of their respective affiliates accordingly disclaim all and any liability whether arising in tort (delict), contract, or otherwise which they might otherwise have in respect of the attached Prospectus and the Offer Circular or any such statement. No representation or warranty express or implied, is made by any of the Company's and Northam's advisors or any of their respective affiliates as to the accuracy, completeness, reasonableness, verification or sufficiency of the information set out in the attached Prospectus and the Offer Circular.

The Company's and Northam's advisors are acting exclusively for the Company and Northam and no one else in connection with the Offer pursuant to the attached Prospectus and the Offer Circular. They will not regard any other person (whether or not a recipient of the attached Prospectus and/or the Offer Circular) as their client in relation to the Offer and will not be responsible to anyone other than the Company and Northam for providing the protections afforded to their clients nor for giving advice in relation to the Offer or any transaction or arrangement referred to in the attached Prospectus and Offer Circular.

You are responsible for protecting your electronic systems against viruses and other destructive items. Your receipt of the attached Prospectus and/or the Offer Circular via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Prospectus apply to this entire document, including this cover page, except where the context indicates a contrary intention.

Zambezi Platinum (RF) Limited

(Incorporated in the Republic of South Africa)
(Registration number 2014/106927/06)
ISIN number: ZAE000202552 JSE preference share code: ZPLP
("**Zambezi Platinum**" or the "**Company**")

PROSPECTUS TO NORTHAM SHAREHOLDERS

Relating to:

- **a fully subscribed renounceable offer by Northam, on behalf of Zambezi Platinum, of 112 195 122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) Zambezi Platinum Preference Shares, fully subscribed as to R4 600 000 002 (four billion six hundred million and two Rand), offered in the ratio of 28.21907 (twenty eight point two one nine zero seven) Offer Shares for every 100 (one hundred) Northam Shares held by Qualifying Shareholders as at 17:00 on Friday, 24 April 2015, at R41 (forty one Rand) per Zambezi Platinum Preference Share;**

and accompanied by:

- **the Offer Circular.**

This Prospectus is not an invitation to the general public in South Africa to subscribe for Zambezi Platinum Preference Shares. This Prospectus is addressed to selected members of the public, being Qualifying Shareholders and their renouncees or transferees. This Prospectus is issued in compliance with the Companies Act and the Debt Listings Requirements.

Attorneys	Auditor and reporting accountant	JSE Debt sponsor	Attorneys as to U.S. and English law
DLA CLIFFE DEKKER HOFMEYR	EY Building a better working world	ONE CAPITAL	DavisPolk

This Prospectus is a copy of a registered prospectus filed with the CIPC on 31 March 2015 and was registered by the CIPC, on 8 April 2015.

The Company accepts full responsibility for the accuracy of the information given herein and certifies that, to the best of its knowledge and belief, no facts have been omitted which would make any statement in this Prospectus false or misleading, and that it has made all reasonable enquiries to ascertain such facts and that this Prospectus contains all information required by law and the Debt Listings Requirements.

The JSE takes no responsibility for the contents of this Prospectus or the annual reports prepared after the date of this Prospectus (as amended or restated from time to time) or the amendments to the above-mentioned annual reports, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Prospectus or the above-mentioned annual reports (as amended from time to time) or the amendments to the above-mentioned annual reports. The Company accepts full responsibility for the accuracy of the information contained in this Prospectus and the above-mentioned annual reports or the amendments to the above-mentioned annual reports, except as otherwise stated therein.

The auditor and reporting accountant, secretaries and technical and administrative advisors, debt sponsor and the attorneys, whose names appear in this Prospectus, have consented in writing to act in the capacities as stated and to their names being included in this Prospectus. None of such parties have withdrawn any such consent prior to the publication of this Prospectus.

This Prospectus is only available in English and copies are available from the registered office of the Company at the address set out in the "*Zambezi Platinum Corporate Information and Advisors*" section on page 2 of this Prospectus during normal business hours from the date of this Prospectus until the 10th (tenth) Business Day following the Implementation Date. This Prospectus and the related regulatory documentation, as required by the Debt Listings Requirements, is also available on the Northam website at www.northam.co.za.

Date of issue: 21 April 2015

IMPORTANT INFORMATION

SPECIAL NOTES REGARDING THE ZAMBEZI PLATINUM PREFERENCE SHARES AND FOREIGN JURISDICTIONS

Notwithstanding that this document constitutes a Prospectus, it is not an offer to the general public and only constitutes an offer to Qualifying Shareholders, and is only addressed to persons to whom it may lawfully be made. The distribution of this Prospectus may be restricted by law. Persons into whose possession this Prospectus comes must inform themselves about and observe any such restrictions. This Prospectus does not constitute an offer or an invitation to elect to receive the Letters of Allocation and/or Zambezi Platinum Preference Shares in any jurisdiction in which such an offer or election would be unlawful. Neither Zambezi Platinum nor Northam has taken any action that would permit a public offering of Letters of Allocation or Zambezi Platinum Preference Shares to occur outside South Africa.

Subject to the restrictions set out below, if you have disposed of all your existing Northam Shares, then this Prospectus should be handed to the purchaser of such Northam Shares or to the CSDP, broker, banker or other agent through whom the disposal was effected. Subject to certain exceptions, this Prospectus and the Offer Circular should not be distributed, forwarded to or transmitted into or from the United States, in a Relevant Member State, Canada, Australia, Japan or Hong Kong, or any other jurisdiction where to do so might constitute a violation of local securities laws or regulations.

The Letters of Allocation and the Zambezi Platinum Preference Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state and other securities laws of the United States. There will be no public offer of the Letters of Allocation and the Zambezi Platinum Preference Shares in the United States. The Letters of Allocation and the Zambezi Platinum Preference Shares are only being offered and sold in offshore transactions in compliance with Regulation S and within the United States to QIBs as defined in Rule 144A pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Any person in the United States acquiring the Letters of Allocation and the Zambezi Platinum Preference Shares must execute and deliver to the Company an investor letter to the effect that such person and any account for which it is acquiring the Letters of Allocation and the Zambezi Platinum Preference Shares is a QIB within the meaning of Rule 144A and satisfies certain other requirements.

Purchasers are hereby notified that Zambezi Platinum and Northam may be relying on an exemption from the registration requirements of Section 5 of the U.S. Securities Act.

The Letters of Allocation and the Zambezi Platinum Preference Shares will also not be registered under the securities laws of any other Restricted Territories and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption. In particular, subject to certain exceptions, this Prospectus, the Offer Circular or any other such documents should not be distributed, forwarded to or transmitted in or into the United States or any other Restricted Territories.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements 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 and 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, and 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. Zambezi Platinum 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 Zambezi Platinum operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Prospectus and the Offer Circular.

All these forward-looking statements are based on estimates and assumptions, made by Zambezi Platinum as communicated in publicly available documents by the Company, all of which are estimates and assumptions which, although Zambezi Platinum 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 estimates, statements or assumptions include other matters not yet known to Zambezi Platinum or not currently considered material by Zambezi Platinum.

Readers of this Prospectus should keep in mind that any forward-looking statement made in this Prospectus, the Offer 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 Zambezi Platinum not to develop as expected may emerge from time to time and it is not possible to predict all of them. 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. Zambezi Platinum has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Prospectus after the date of this Prospectus, except as may be required by law.

ZAMBEZI PLATINUM CORPORATE INFORMATION AND ADVISORS

Registered office

1A Albury Park
Magalieszicht Avenue
Dunkeld West, 2196
Johannesburg
South Africa
(PO Box 412694, Craighall, 2024, South Africa)

Date and place of incorporation:

2 June 2014 – Pretoria, South Africa

Auditor and reporting accountant

Ernst and Young Inc.
(Registration number 2005/002308/21)
102 Rivonia Road
Sandton, 2146
Johannesburg
South Africa
(Private Bag X14, Sandton, 2146)

Transfer secretaries

Computershare Investor Services
Proprietary Limited
(Registration Number 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
South Africa
(PO Box 61051, Marshalltown, 2107)

Debt sponsor

One Capital Sponsor Services Proprietary Limited
(Registration number 2000/023249/07)
17 Fricker Road
Illovo, 2196
Johannesburg
South Africa
(PO Box 784573, Sandton, 2146)

Secretaries and technical and administrative advisors

Northam Platinum Limited
(Registration number 1977/003282/06)
1A Albury Park
Magalieszicht Avenue
Dunkeld West, 2196
Johannesburg
South Africa
(PO Box 412694, Craighall, 2024, South Africa)

Attorneys

Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
1 Protea Place
Sandown
Sandton, 2196
Johannesburg
South Africa
(Private Bag X7, Benmore, 2010)

Attorneys as to U.S. and English law

Davis Polk & Wardwell London LLP
5 Aldermanbury Square
London EC2V 7HR
United Kingdom

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DEFINITIONS AND INTERPRETATIONS

In this Prospectus, unless otherwise stated or the context so requires, the words and expressions in the first column have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa,* words denoting one gender include the other and expressions denoting natural persons include juristic persons and associations of persons and *vice versa*:

Administration Services Agreement	the agreement headed *"Administration Services Agreement"* entered into between Northam and the Company in terms of which the Company will appoint Northam to attend to the day-to-day management of Zambezi Platinum's business and the administration of the Company's affairs;
Agent	pursuant to the Preference Share Terms, the person appointed in terms of an agreement entered into between that person, the Company and Northam to *inter alia* perform certain functions and enforce certain rights on behalf of and for the benefit of Holders pursuant to the Preference Share Terms and the Northam Guarantee, in return for the payment of agreed fees which Northam will undertake to pay;
Applicable Laws	in relation to any person, all and any statutes and subordinate legislation and common law, regulations, ordinances and by laws, directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that person;
Atisa Platinum Consortium	Business Venture Investments No 1841 Proprietary Limited (RF), registration number 2014/191520/07, a company incorporated in South Africa, which company will be renamed "*Atisa Platinum (RF) Proprietary Limited*";
BEE Shares	collectively, the Subscription Shares and the PIC Sale Shares;
Board or **Directors**	the directors of Zambezi Platinum as at the Last Practicable Date, the names of whom are set out in section 1, paragraph 2.1;
Booysendal	Northam's Booysendal PGM mine, situated on the eastern limb of the Bushveld complex near the town of Mashishing and owned by Booysendal Platinum;
Booysendal Community Trust	the Northam Booysendal Community Trust, Master's reference number IT000178/2015(G);
Booysendal Platinum	Booysendal Platinum Proprietary Limited, registration number 2002/016771/07, a company incorporated in South Africa and a wholly-owned Subsidiary of Northam;
Business Day	any day other than a Saturday, Sunday or official public holiday in South Africa;
Certificated Shares	Northam Shares that have not been Dematerialised and are represented by share certificates;

CIPC	the Companies and Intellectual Property Commission established in terms of section 185 of the Companies Act;
Cliffe Dekker Hofmeyr	Cliffe Dekker Hofmeyr Incorporated, registration number 2008/018923/21, a company incorporated in South Africa;
Co-operation Agreement	the agreement headed *''Co-operation Agreement''* entered into between Northam and Zambezi Platinum, setting out the rights and obligations of Northam and Zambezi Platinum for purposes of implementing the Offer;
Commitment	the commitment by the Zambezi Platinum Preference Share Subscribers in terms of which they have agreed to subscribe for the remaining Offer Shares not taken up by Qualifying Shareholders;
Commitment Agreements	the agreements entered into between Northam and each of the Zambezi Platinum Preference Share Subscribers in terms of which the Zambezi Platinum Preference Share Subscribers agreed to follow their Rights and, to the extent required, make excess applications, in the amounts of R1 500 000 006 (one billion five hundred million and six Rand) (in respect of Coronation) and R3 099 999 996 (three billion ninety nine million nine hundred and ninety nine thousand nine hundred and ninety six Rand) (in respect of the PIC) respectively, pursuant to the Offer;
Committed Amount	an aggregate amount of R4 600 000 002 (four billion six hundred million and two Rand) committed by the Zambezi Platinum Preference Share Subscribers towards the Offer;
Common Monetary Area	collectively South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
Companies Act	the Companies Act, No. 71 of 2008, as amended from time to time;
Companies Regulations or **Regulations**	the Companies Regulations, 2011, promulgated under the Companies Act;
Company Trigger Event	has the meaning ascribed thereto in the Preference Share Terms;
Coronation	Coronation Asset Management Proprietary Limited, registration number 1993/002807/07, a company incorporated in South Africa;
CSD	a *"central securities depositary"*, as defined in section 1 of the Financial Markets Act, being a person who constitutes, maintains and provides an infrastructure for holding Dematerialised securities which enables the making of entries in respect of Dematerialised securities, and which infrastructure includes a securities settlement system;
CSDP	a "*participant*", as defined in section 1 of the Financial Markets Act, being a person authorised by a licenced CSD to perform custody and administration services or settlement services or both in terms of the CSD rules;
Debt Listings Requirements	the JSE Debt Listings Requirements, as amended from time to time;

Dematerialise or **Dematerialised**	the process by which securities which are evidenced by a certificate are converted to securities that are held in collective custody by the CSD or its nominee in a separate central securities account and are transferable by entry without a certificate or written instrument;
Dematerialised Shareholder	holders of Dematerialised Northam Shares;
Distribution	any *"distribution"* as defined in the Companies Act and includes, in relation to: • the Company (i) the Preference Dividends and any dividends paid by the Company in respect of the Zambezi Platinum Ordinary Shares and the N Share, (ii) the redemption prices paid by the Company in respect of the Zambezi Platinum Preference Shares, and (iii) the repurchase of any share of any class; and • Northam, any cash dividend, special dividend or Return of Capital paid by Northam in respect of the BEE Shares and any repurchase price paid by Northam in respect of the repurchase of all or any BEE Shares;
Distribution Receipts Account	the bank account which Northam will open and operate on behalf of the Company for various purposes as set out in the Preference Share Terms and into which all Distributions made by Northam to the Company must be paid;
Dividend Rate	subject to an adjustment in terms of the Rate Adjustment Provisions (as defined in the Preference Share Terms) a nominal rate equal to the aggregate of the Prime Rate plus 3.5% (three point five percent);
EFT	electronic funds transfer;
ESOP Trust	the Northam Employees' Trust, Master's reference number IT000173/2015(G);
Excess Offer Shares	unallocated Offer Shares which may be applied for by LA Holders in excess of their Rights;
Exchange	the securities exchange operated by the JSE;
Exchange Control Authorities	the Financial Surveillance Department of the SARB;
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	the Financial Markets Act, No. 19 of 2012, as amended from time to time;
Financial Indebtedness	has the meaning ascribed thereto in the Preference Share Terms;
HDSA	has the meaning ascribed to "*historically disadvantaged person*" in section 1 of the MPRDA;
HDSA Participants	collectively, the Trusts, the Strategic Partners and the Women's Consortium, details of which were set out in the Transaction Circular;

Holder	in relation to a Zambezi Platinum Preference Share, its registered holder as reflected in the Register, as more fully set out in the Preference Share Terms;
Holder Cure Notice	a Holder Cure Notice as defined in the Preference Share Terms set out in annexure 1;
Holder Redemption Notice	a Holder Redemption Notice as defined in the Preference Share Terms set out in annexure 1;
IFRS	the International Financial Reporting Standards, as amended from time to time;
Implementation Date	the date on which the Offer Shares will be issued to the Offer Participants and the Transaction will be implemented, which date is set out in the timetable in the Offer Circular, being Monday, 18 May 2015;
Independent Auditors and Reporting Accountants	Ernst and Young Incorporated, registration number 2005/002308/21, a company incorporated in South Africa;
Issue Price	R41 (forty one Rand) per Zambezi Platinum Preference Share;
JSE	JSE Limited, registration number 2005/022939/06, a company incorporated in South Africa and licensed to operate the Exchange under the Financial Markets Act;
King Report and Code	the King III Report on Corporate Governance 2009 and the King Codes;
LAs or **Letter(s) of Allocation**	renounceable nil paid letters of allocation to be listed on the Exchange and issued by Northam to Qualifying Shareholders, conferring on the holder thereof a renounceable right to subscribe for 1 (one) Zambezi Platinum Preference Share for every letter of allocation held on the Record Date;
LA Holder	the registered holder of an LA;
Last Practicable Date	Monday, 23 March 2015, being the last practicable date prior to the finalisation of this Prospectus;
Listings Requirements	the JSE Limited Listings Requirements, as amended from time to time;
Lock-in Arrangement	the arrangement in terms of which: • Zambezi Platinum has agreed not to dispose of or encumber the BEE Shares or compete with the Northam Group; and • all the HDSA Participants have agreed not to dispose of or encumber their Zambezi Platinum Ordinary Shares or compete with the Northam Group, for the duration of the Lock-in Period, pursuant to which Zambezi Platinum and the HDSA Participants will secure and maintain the Transaction and the concomitant Northam HDSA equity ownership credits for the duration of the Lock-in Period, as more fully set out in the Transaction Circular;
Lock-in and Restraint Payment	an amount of R400 000 000 (four hundred million Rand) to be paid as a once-off payment by Northam to Zambezi Platinum in consideration for the Lock-in Arrangement;

Lock-in Period	a period of 10 (ten) years reckoned from after the Implementation Date;
Malundi Resources Consortium	Malundi Resources (RF) Proprietary Limited, registration number 2014/191514/07, a company incorporated in South Africa;
Master	the Master of the High Court of South Africa;
Mining Charter	the Amendment of the Broad Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (together with the Mining Charter scorecard) published in terms of section 100(2) (a) of the MPRDA, under Government Gazette No. 838 of 20 September 2010;
Mpilo Platinum Consortium	Mpilo Platinum (RF) Proprietary Limited, registration number 2014/181643/07, a company incorporated in South Africa;
MPRDA	the Mineral and Petroleum Resources Development Act, No. 28 of 2002, as amended from time to time;
N Share	the single N Share in the share capital of Zambezi Platinum, having the rights and privileges set out in the Zambezi Platinum MOI, which will be issued to Northam on the Implementation Date;
N Share Subscription Agreement	the agreement headed "*N Share Subscription Agreement*" entered into between Zambezi Platinum and Northam, in terms of which Northam will subscribe for the N Share;
Northam or **Guarantor**	Northam Platinum Limited, registration number 1977/003282/06, a public company incorporated in South Africa;
Northam Clawback	Northam's right to claim payment from the Company of (i) the amounts paid by Northam to the Holders or (ii) the agreed value of the Northam Shares issued by Northam to the Holders, in terms of the Northam Guarantee;
Northam Group or **Group**	Northam, its Subsidiaries and associates from time to time;
Northam Guarantee	the agreement headed "*Guarantee*" entered into between Northam, Zambezi Platinum and the Agent in terms of which Northam guarantees the payment of all amounts which Zambezi Platinum has contracted to pay, but failed to pay on the due date therefor, in respect of the Zambezi Platinum Preference Shares, in terms of the Preference Share Terms;
Northam Shareholders	registered holders of Northam Shares;
Northam Shares	ordinary shares of no par value in the share capital of Northam;
Northam Trigger Event	has the meaning ascribed thereto in the Preference Share Terms;
Offer	the offer by Northam, on behalf of the Company, to Qualifying Shareholders or their renouncees or transferees, to subscribe for Offer Shares at the Issue Price, by way of a fully subscribed renounceable offer, in the ratio of 28.21907 (twenty eight point two one nine zero seven) Offer Shares for every 100 (one hundred) existing Northam Shares held as at the Record Date, full details of which are set out in the Offer Circular;

Offer Circular	the circular issued by Northam to Northam Shareholders in respect of the Offer dated 21 April 2015, accompanied by this Prospectus;
Offer Participants	LA Holders who followed their Rights and/or successfully applied for Excess Offer Shares pursuant to the Offer;
Offer Shares	112 195 122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) Zambezi Platinum Preference Shares to be offered for subscription in terms of the Offer;
One Capital	One Capital Sponsor Services (Proprietary) Limited, registration number 2000/023249/07, a company incorporated in South Africa;
PGM	platinum group metals;
PIC	Public Investment Corporation SOC Ltd., registration number 2005/009094/06, a company incorporated in South Africa;
PIC Sale of Shares Agreement	the agreement headed *"Sale of Shares Agreement"* entered into between Zambezi Platinum, Northam and the PIC, as amended and reinstated, in terms of which Zambezi Platinum has agreed to purchase the PIC Sale Shares from the PIC;
PIC Sale Shares	47 710 331 (forty seven million seven hundred and ten thousand three hundred and thirty one) Northam Shares, constituting approximately 9.4% (nine point four percent) of Northam's issued share capital as at the Last Practicable Date;
Pledge and Cessions	collectively, the agreements headed "*Pledge and Cession*" entered into between Northam, Zambezi Platinum and each of the HDSA Participants, in terms of which each HDSA Participant will pledge and cede *in securitatem debiti* all of the Zambezi Platinum Ordinary Shares held by it to and in favour of Northam, as security for the obligations of that HDSA Participant under the applicable Relationship Agreement, and "**Pledge and Cession**" shall mean any one or each of them, as the context may require;
Preference Dividends	has the meaning ascribed thereto in the Preference Share Terms;
Preference Share Terms	the preferences, rights, limitations and other terms associated with the Zambezi Platinum Preference Shares, as set out in the Zambezi Platinum MOI, an extract of which is set out in annexure 1 hereto;
Prime Rate	the percentage publicly quoted as the basic rate of interest levied by Nedbank Limited from time to time on overdraft, calculated on a 365 (three hundred and sixty five) day year, irrespective of whether the applicable year is a leap year, and proved, *prima facie*, in the event of a dispute and in the absence of manifest error, by a certificate under the hand of any director or manager of Nedbank Limited, whose appointment and authority need not be proved or, if such rate becomes defunct or no longer a proxy for a cash yield, such other alternative rate as may be determined by the Agent in a commercially reasonable manner;
Prospectus	this prospectus in respect of Zambezi Platinum addressed to Northam Shareholders dated 21 April 2015 and all the annexures hereto and which is accompanied by the Offer Circular;

Prospectus Directive	Directive 2003/71/EC on a prospectus to be published when securities are offered to the public or admitted to trading as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010;
Qualifying Dematerialised Shareholders	Qualifying Shareholders that hold Dematerialised Northam Shares;
Qualifying Shareholders	those Northam Shareholders registered as such on the Record Date and entitled to participate in the Offer;
Rand or **R**	South African Rand and cents, the official currency of South Africa;
Record Date	the date for Northam Shareholders to be recorded in the Register in order to be entitled to participate in the Offer, which is expected to be at 17:00 on Friday, 24 April 2015;
Redemption Price	in relation to each Zambezi Platinum Preference Share, an amount equal to the Issue Price;
Register	collectively, the register of Northam Shareholders holding Certificated Shares maintained by the Transfer Secretaries and the sub-register of Northam Shareholders who hold Dematerialised Northam Shares maintained by the relevant CSDPs in accordance with section 50 of the Companies Act;
Regulation S	Regulation S under the U.S. Securities Act;
Relationship Agreements	collectively, the agreements headed "*Relationship and Subscription Agreement*" entered into between Northam, Zambezi Platinum and each of the HDSA Participants in terms of which each HDSA Participant will subscribe for Zambezi Platinum Ordinary Shares and the relationship between it, Northam and Zambezi Platinum will be governed, as amended, and "**Relationship Agreement**" shall mean any one or each of them, as the context may require;
Relevant Member State	each member state of the European Economic Area which has implemented the Prospectus Directive;
Restricted Territories	subject to certain exceptions, the United States, a Relevant Member State, Canada, Australia, Japan or Hong Kong and any other jurisdiction where Offer Shares or Letters of Allocation may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions and to do so might constitute a violation of local securities laws or regulations;
Return of Capital	has the meaning ascribed thereto in the Preference Share Terms;
Rights	the renounceable right to subscribe for Zambezi Platinum Preference Shares at the Issue Price;
Rule 144A	Rule 144A under the U.S. Securities Act;
SARB	South African Reserve Bank;
SENS	the Stock Exchange News Service of the JSE;

South Africa	the Republic of South Africa;
Strategic Partners	collectively, the Atisa Platinum Consortium, the Mpilo Platinum Consortium and the Malundi Resources Consortium;
Subscription Agreement	the agreement headed *"Subscription and Relationship Agreement"* entered into between Zambezi Platinum and Northam, in terms of which Zambezi Platinum will subscribe for the Subscription Shares at the Subscription Price;
Subscription Price	the price payable by Zambezi Platinum to Northam in respect of the Subscription Shares, being an amount of R41 (forty one Rand) per Subscription Share, amounting to a total Subscription Price of R4 600 000 002 (four billion six hundred million and two Rand);
Subscription Shares	112 195 122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) new Northam Shares to be issued to Zambezi Platinum by Northam pursuant to the Subscription Agreement;
Subsidiary	has the meaning ascribed to *"subsidiary"* in the Companies Act;
Tax Act	the Income Tax Act, No. 58 of 1962, as amended from time to time;
Transaction	the transaction contemplated in the Transaction Circular, pursuant to which Northam will increase its HDSA ownership level by 31.4% (thirty one point four percent);
Transaction Agreements	has the meaning ascribed thereto in the Transaction Circular;
Transaction Circular	the circular dated 17 February 2015 relating to the Transaction and convening the general meeting of Northam Shareholders in order to obtain the necessary approvals to implement the Transaction;
Transfer Secretaries	Computershare Investor Services Proprietary Limited, registration number 2004/003647/07, a private company incorporated in South Africa;
Trusts	collectively, the Booysendal Community Trust, the Zondereinde Community Trust and the ESOP Trust;
United States or **U.S.**	the United States of America;
U.S. Securities Act	U.S. Securities Act of 1933, as amended;
VWAP	volume weighted average price of a Northam Share on the Exchange;
Women's Consortium	Zambezi Platinum Women's SPV (RF) Proprietary Limited, registration number 2014/191546/07, a company incorporated in South Africa;
Zambezi Platinum or **the Company**	Zambezi Platinum (RF) Limited, registration number 2014/106927/06, a company incorporated in South Africa;
Zambezi Platinum Ordinary Shares	ordinary shares of no par value in the share capital of the Company;

Zambezi Platinum MOI	the memorandum of incorporation of the Company, as at the Last Practicable Date;
Zambezi Platinum Pledge and Cession	the agreement headed *"Pledge and Cession"* entered into between Northam and Zambezi Platinum in terms of which Zambezi Platinum will pledge and cede *in securitatem debiti* the BEE Shares and its right, title and interest in and to the Distribution Receipts Account, to Northam as security for Zambezi Platinum's obligations under the Northam Clawback;
Zambezi Platinum Preference Shares	preference shares in the share capital of the Company having the rights and privileges set out in the Preference Share Terms, which will be listed under the JSE share code ZPLP and fully tradable on the Exchange with effect from the Implementation Date;
Zambezi Platinum Preference Share Subscribers	collectively, Coronation and the PIC;
Zondereinde	Northam's Zondereinde PGM mine, situated on the western limb of the Bushveld complex near the town of Thabazimbi; and
Zondereinde Community Trust	the Northam Zondereinde Community Trust, Master's reference number IT000177/2015(G).

SECTION 1: INFORMATION ABOUT THE COMPANY

1. NAME, ADDRESS, INCORPORATION

1.1 **Name and registration number**

Zambezi Platinum (RF) Limited, registration number 2014/106927/06.

1.1.1 ***Registered office of the Company:***

1A Albury Park
Magalieszicht Avenue
Dunkeld West, 2196
Johannesburg
South Africa
(PO Box 412694, Craighall, 2024, South Africa)

1.1.2 ***Address of Company's Transfer Secretaries:***

Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg
2001

1.2 **Date of incorporation**

The Company was incorporated on 2 June 2014.

1.3 **Holding Company**

1.3.1 ***Holding company name and registration number***

Northam Platinum Limited, registration number 1977/003282/06. With effect from the Implementation Date, Northam will cease to be the holding company and the Company will not have a holding company.

1.3.2 ***Registered office of the holding company***

The registered address of Northam is:
1A Albury Park
Magalieszicht Avenue
Dunkeld West, 2196
Johannesburg
South Africa

2. DIRECTORS, OTHER OFFICE HOLDERS OR MATERIAL THIRD PARTIES

2.1 **Current Directors of Zambezi Platinum**

The Board currently comprises the following 3 (three) Directors, elected by the sole shareholder:

Paul Anthony Dunne (51)

Business address:	1A Albury Park, Magalieszicht Avenue, Dunkeld West, 2196
Postal address:	PO Box 412694, Craighall, 2024
Nationality:	British
Qualifications:	BSc, MBA
Occupation:	Chief Executive Officer of Northam
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

Leon Charl van Schalkwyk (49)

Business address:	1A Albury Park, Magalieszicht Avenue, Dunkeld West, 2196
Postal address:	PO Box 412694, Craighall, 2024
Nationality:	South African
Qualifications:	Charted Management Accountant (FCMA)
Occupation:	Chief Commercial Officer of Northam
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

Ayanda Zemini Khumalo (50)

Business address:	1A Albury Park, Magalieszicht Avenue, Dunkeld West, 2196
Postal address:	PO Box 412694, Craighall, 2024
Nationality:	South African
Qualifications:	Charted Accountant CA(SA)
Occupation:	Chief Financial Officer of Northam
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

2.2 **Proposed new Directors of Zambezi Platinum**

Pursuant to the implementation of the Transaction 1 (one) of the current Directors will remain as the Director appointed by Northam; 1 (one) of the current Directors will remain as the Director appointed by and nominated for election by the ESOP Trust and 1 (one) of the current Directors will remain as the Director appointed by and nominated for election by the Northam Booysendal Community Trust and the Northam Zondereinde Community Trust. Furthermore, the following persons will be elected as Directors, in accordance with the provisions of the Zambezi Platinum MOI, with effect from the Implementation Date and have consented to their appointment as Directors and have not, before the date or registration of this Prospectus, withdrawn such consent:

Mr Polelo Lazarus Zim (54)

Business address:	105 Forrest Road, Atholl, Sandton, 2196
Qualifications:	BCom (Hons), MCom
Occupation:	Chief Executive Officer of Atisa Group Proprietary Limited, Chairman of Northam
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

Mr Sipho Mseleku (49)

Business address:	85 Central Street, West Building, Houghton, 2198
Qualifications:	BA (Hons), LLB, LLM (Tax Law), HDip (Company Law)
Occupation:	Chairman of Sakhumnotho, director of Camsure, Sulzer Pumps SA, Air Traffic Navigation Services and Oakhurst Insurance Company
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

Mr Brian Mosehla (42)

Business address:	1st Floor, 30 Melrose Boulevard, Melrose Arch, 2196
Qualifications:	CA(SA), BCompt
Occupation:	Chief Executive Officer of Mosomo Investment Holdings Proprietary Limited
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

Nomahlubi Mazwai (56)

Business address:	41 North Road, Morningside, Johannesburg, 2096
Qualifications:	n/a
Occupation:	Businesswoman who owns and manages an events planning and management company
Term of office:	No fixed term but subject to the provisions of the Zambezi Platinum MOI

2.2.1 In terms of the Zambezi Platinum MOI, the Board must comprise of not less than 4 (four) Persons and not more than 8 (eight) Persons. Northam will be entitled to appoint 1 (one) director to the Board and a maximum of 7 (seven) Directors will be elected by the holders of Zambezi Platinum Ordinary Shares. No Directors will be appointed for life or for an indefinite period and Directors will rotate *inter alia* on the following basis:

2.2.1.1 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;

2.2.1.2 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; and

2.2.1.3 a retiring director shall be eligible for re-election or re-appointment, as the case may be.

2.3 Name and business address of the Company secretary

Name:	Northam Platinum Limited
Business address:	1A Albury Park, Magalieszicht Avenue, Dunkeld West, 2196
Position:	Secretaries and technical and administrative advisors

2.4 Name and business address of the Auditor, Attorneys and Zambezi Platinum Preference Share Subscribers

2.4.1 ***Auditors***

Ernst and Young Inc.
102 Rivonia Road
Sandton
2146
(Private Bag X14, Sandton, 2146)

A copy of the consent of Ernst and Young as the Company's Auditors in this Prospectus is attached in annexure 9.

2.4.2 ***Attorneys***

Cliffe Dekker Hofmeyr Inc.
1 Protea Place
Sandown
Sandton
2196
(Private Bag X7, Benmore, 2010)

A copy of the consent of Cliffe Dekker Hofmeyr as the Company's Attorneys in this Prospectus is attached in annexure 9.

2.4.3 ***Attorneys as to U.S. and English law***

Davis Polk & Wardwell London LLP
5 Aldermanbury Square
London EC2V 7HR
United Kingdom

A copy of the consent of Davis Polk & Wardwell as the Company's Attorneys as to U.S. and English law in this Prospectus is attached in annexure 9.

2.4.4 ***Zambezi Platinum Preference Share Subscriber: Coronation***

7th Floor
MontClare Place
Cnr Campground and Main Roads
Claremont
Cape Town
(PO Box 44684, Claremont, 7735)

2.4.5 ***Zambezi Platinum Preference Share Subscriber: PIC***

Block C, Riverwalk Office Park
41 Matroosberg Road
Ashlea Gardens Ext 6
Menlo Park
Pretoria
(Private Bag X187, Pretoria, 0001)

2.5 **Directors' remuneration and service contracts**

In terms of the Zambezi Platinum MOI, Directors of the Company are not entitled to receive any remuneration and the powers of the Company are restricted in this regard.

2.6 **Borrowing powers of the Company exercisable by Directors**

Zambezi Platinum is a ring-fenced company and the Directors may not incur any form of indebtedness, other than pursuant to limited circumstances contemplated in the Zambezi Platinum Preference Share Terms, and the powers of the Company are restricted in this regard.

2.7 **Details of the company that will manage the business of the Company under contract**

The Company will, in terms of the Administration Services Agreement and with effect from the Implementation Date, appoint Northam to attend to the day-to-day management of the Company's business (as set out in section 1, paragraph 3.1) and the administration of the Company's affairs at Northam's sole cost and expense.

Northam will not be entitled to any compensation for any services rendered pursuant to the Administration Services Agreement.

The address of Northam's registered office is set out in section 1, paragraph 1.3.2.

3. HISTORY, STATE OF AFFAIRS AND PROSPECTS OF THE COMPANY

3.1 **General description of business to be carried on by the Company**

On 22 October 2014, Northam announced on SENS that it intended to conclude the Transaction with a view to establishing a sustainable HDSA shareholding in Northam in order to comply with the HDSA ownership requirements set by the Mining Charter and, at the same time, raise R4 600 000 002 (four billion six hundred million and two Rand) to support Northam's strategic intent to grow its business.

The Company has been incorporated as a special purpose vehicle for the purpose of facilitating the Transaction, the primary purpose of which is to (i) hold the BEE Shares for the benefit of the HDSA Participants and (ii) issue the Zambezi Platinum Preference Shares and give effect to the Zambezi Platinum Preference Share Terms, including, *inter alia*, the making of Distributions to Holders.

As more fully described in the Transaction Circular, the Transaction effectively comprises 2 (two) primary inter-conditional elements, being:

- the simultaneous subscription and purchase by Zambezi Platinum of the BEE Shares pursuant to the Subscription Agreement and PIC Sale of Shares Agreement; and
- the funding of the consideration payable by Zambezi Platinum for the BEE Shares through (i) the offer of Zambezi Platinum Preference Shares to Qualifying Shareholders pursuant to the Offer (being made pursuant to this Prospectus and the Offer Circular) and (ii) the issue of Zambezi Platinum Preference Shares to the PIC.

In order to fund the Subscription Price of the Subscription Shares, Zambezi Platinum and Northam have jointly agreed to implement the Offer, being an offer by Northam (on behalf of Zambezi Platinum) to Qualifying Shareholders, to subscribe for Offer Shares in proportion to their shareholdings in Northam, at the Issue Price, through the issue of Letters of Allocation.

The purchase consideration payable to the PIC will be settled by Zambezi Platinum issuing 47 710 331 (forty seven million seven hundred and ten thousand three hundred and thirty one) Zambezi Platinum Preference Shares to the PIC at a subscription price of R41 (forty one Rand) per Zambezi Platinum Preference Share, amounting to an amount equal to the purchase consideration payable in respect of the PIC Sale Shares and otherwise on *mutatis mutandis* the same terms as the Offer.

Following the implementation of the Subscription Agreement and the PIC Sale of Shares Agreement, Zambezi Platinum will beneficially hold 159 905 453 (one hundred and fifty nine million nine hundred and five thousand four hundred and fifty three) Northam Shares, which will amount to approximately 31.4% (thirty one point four percent) of the total issued ordinary share capital of Northam.

The Company will not conduct any operational business.

In terms of the Zambezi Platinum MOI, the Company will, for the duration of the Transaction, be a ring-fenced company (as contemplated in the Companies Act) and, unless otherwise permitted in terms of the Transaction documents, be restricted to holding the BEE Shares and matters ancillary thereto; issuing the Zambezi Platinum Preference Shares; entering into and exercising its rights in terms of the Transaction documents; prohibited from *inter alia* disposing of or encumbering the BEE Shares, incurring any Financial Indebtedness, registering the transfer of any Zambezi Platinum Ordinary Share and/or amending the Zambezi Platinum MOI.

3.2 History of the Company

The Company was incorporated as a private company on 2 June 2014, has not conducted business and is the special purpose vehicle through which the Transaction is being implemented. In order to *inter alia* facilitate the implementation of the Transaction, Zambezi Platinum adopted the Zambezi Platinum MOI on 16 February 2015 as a result of which it became a ring-fenced company (as contemplated in the Companies Act) and converted to a public company.

3.3 Opinion of Directors as to the prospects of the business of the Company

Zambezi Platinum is a ring-fenced entity created for the specific purpose of raising funds to subscribe for the BEE Shares. As such, Zambezi Platinum will not be conducting any other business activities until the expiry of the Lock-in Period.

Zambezi Platinum is required to redeem the Zambezi Platinum Preference Shares, in accordance with their terms, with cash or Northam Shares. Should Zambezi Platinum elect to redeem the Zambezi Platinum Preference Shares using only Northam Shares, the number of Northam Shares that will be required to redeem the Zambezi Platinum Preference Shares will vary according to the amount payable to the Holders. All amounts payable to the Holders, pursuant to the Preference Share Terms, are guaranteed by Northam. Northam is required to settle the operational expenses of Zambezi Platinum, subject to certain limitations.

The Zambezi Platinum Preference Shares' Dividend Rate is calculated with reference to the Prime Rate and is not dependent on the financial performance of either Northam or Zambezi Platinum.

Zambezi Platinum's prospects are therefore limited in nature in that they are not dependent on the prospects of Northam and the returns attributable to the Zambezi Platinum Preference Shares are constant and fluctuate in accordance with prevailing interest rates. Various characteristics of the Zambezi Platinum Preference Shares, such as the Northam Guarantee and redemption payment structure, provide the Holders with additional certainty regarding the recoverability of their dividends and capital, however, the Zambezi Platinum Preference Shares retain equity risk as a result of its redemption being ultimately supported by the value of Northam Shares and/or Northam's ability to continue as a going concern. Zambezi Platinum Preference Shares therefore present their holders with a combination of the risks and rewards associated with equity and debt instruments.

Northam's prospects for growth and continued profitability are subject to various external and internal factors which cannot be accurately predicted, forecasted or controlled by Zambezi Platinum as an investor in Northam.

The Zambezi Platinum Preference Shares are expected to only be redeemed on their scheduled redemption date after the expiry of their full 10 (ten) year term. They may, however, be subject to early redemption in certain instances which may result in the variation of the Holder's expected returns.

3.4 **Corporate Governance**

The Company was recently incorporated and the Board is newly constituted. As a result, the Directors have not yet applied any of the principles of the King Report and Code and the Company does not currently adhere to the King Report and Code.

The Board confirms its commitment to the principles of fairness, accountability, responsibility and transparency as advocated in the King Report and Code and will embrace the principles and recommendations of the King Report and Code.

The corporate governance principles adopted by Northam are available on Northam's website (www.northam.co.za) and it is the intention of the Company to adopt those principles as far as reasonably possible.

3.5 **Acquisition of Subscription Shares with the proceeds of the Offer**

The entire proceeds received pursuant to the Offer will be utilised to settle the Subscription Price payable in respect of the Subscription Shares. A brief history of Northam and particulars of its business are set out in annexure 3.

3.6 **State of affairs of the Company**

Zambezi Platinum was recently incorporated and has not traded. Prior to the Implementation Date, it will have no assets, liabilities or operating history. The Company has no Subsidiaries.

4. SHARE CAPITAL OF ZAMBEZI PLATINUM

4.1 **The authorised and issued share capital of Zambezi Platinum is as follows:**

	R
Authorised share capital	
11 000 Zambezi Platinum Ordinary Shares	
159 905 453 Zambezi Platinum Preference Shares	
1 N Share	
Issued share capital at the date of this Prospectus	
1 Zambezi Platinum Ordinary Share at an issue price of R0.01 per Zambezi Platinum Ordinary Share	R0.01
Issued share capital following the implementation of the Offer	
10 000 Zambezi Platinum Ordinary Shares at an issue price of R0.01 per Zambezi Platinum Ordinary Share	R100
159 905 453 Zambezi Platinum Preference Shares at an issue price of R41.00 per Zambezi Platinum Preference Share	R6 556 123 573
1 N Share at an issue price of R0.01	R0.01

4.2 As at the Implementation Date, the Zambezi Platinum Ordinary Shares will be held as follows:

	Number of shares	(%)*
Atisa Platinum Consortium	1 280	12.8
Mpilo Platinum Consortium	1 280	29.8
Malundi Resources Consortium	1 280	12.8
Women's Consortium	1 910	19.1
ESOP Trust	960	9.6
Booysendal Community Trust	795	7.95
Zondereinde Community Trust	795	7.95

** Figures included in this table have been rounded according to standard rounding conventions.*

In terms of the Subscription Agreement and the Relationship Agreements, for the duration of the Lock-in Period, the holders of the Zambezi Platinum Ordinary Shares will be and remain as per the table above. After the Lock-in Period, the holders of the Zambezi Platinum Ordinary Shares will be entitled to dispose of their Zambezi Platinum Ordinary Shares, subject to the restrictions set out in the Zambezi Platinum MOI.

4.3 **Description of preferences, rights and limitations of each class of shares**

4.3.1 ***Zambezi Platinum Ordinary Shares***

Each Zambezi Platinum Ordinary Share entitles the holder thereof to (i) vote on any matter to be decided by the holders of Zambezi Platinum Ordinary Shares and to 1 (one) vote in the case of a vote by means of a show of hands and in the case of a poll, have as many votes as the number of Zambezi Platinum Ordinary Shares held by such shareholder; (ii) subject to the payment of Distributions in respect of the Holders, participate proportionally in any Distribution made by the Company and (iii) subject to the rights of the Holders on the liquidation of the Company as set out in section 1, paragraph 4.3.2.6, participate proportionally in the net assets of the Company.

4.3.2 ***Zambezi Platinum Preference Shares***

The following is a summary of the salient terms of the Zambezi Platinum Preference Shares. Full details of the Zambezi Platinum Preference Share Terms are set out in annexure 1.

4.3.2.1 *Classification*

The Zambezi Platinum Preference Shares are guaranteed, redeemable, cumulative securities, which will be listed as debt instruments on the Exchange, in terms of the Debt Listings Requirements. The Zambezi Platinum Preference Shares will, upon issue, be fully tradable on the Exchange.

4.3.2.2 *Aggregate value prior to listing*

The aggregate value of the Zambezi Platinum Preference Shares (including the Offer Shares) will, upon issue, amount to R6 556 123 573 (six billion five hundred and fifty six million one hundred and twenty three thousand five hundred and seventy three Rand), which equates to the Subscription Price payable to Northam in respect of the Subscription Shares plus the purchase consideration payable to the PIC in respect of the PIC Sale Shares, being R41 (forty one Rand) per Northam Share.

4.3.2.3 *Dividends*

The Distributions payable in respect of the Zambezi Platinum Preference Shares shall rank prior to the Distribution rights of the N Share and the Zambezi Platinum Ordinary Shares. Subject to certain rate adjustment events (discussed below), the Zambezi Platinum Preference Shares shall be entitled to receive a dividend equal to the Issue Price multiplied by the Dividend Rate, calculated on a daily basis based on a 365 (three hundred and sixty five) day year, irrespective of whether the applicable year is a leap year, compounded annually.

Preference Dividends will be classified as dividends for tax purposes in terms of the Tax Act and, to the extent that they are not paid, shall accumulate and be capitalised annually.

The Dividend Rate will be subject to an adjustment in the event that, *inter alia*, the Preference Dividends become subject to new taxes or increased taxation rates whilst the Zambezi Platinum Preference Shares are in issue.

For so long as the Zambezi Platinum Preference Shares are in issue, 90% (ninety percent) of the net ordinary cash dividends paid by Northam in respect of the BEE Shares will be utilised by Zambezi Platinum to pay accumulated Preference Dividends, with the remaining 10% (ten percent) being distributed as a dividend by Zambezi Platinum to the holders of Zambezi Platinum Ordinary Shares (i.e. the HDSA Participants). To the extent that 90% (ninety percent) of the net ordinary cash dividends received by Zambezi Platinum in respect of the BEE Shares exceed the amount of the accumulated Preference Dividends, Zambezi Platinum shall be obliged to deposit such excess amount into the Distribution Receipts Account.

In the event that Northam:

4.3.2.3.1 declares a scrip dividend in respect of the BEE Shares, Zambezi Platinum will be obliged to elect to receive a cash dividend and the net amount of such cash dividend will be treated by Zambezi Platinum in the same manner as ordinary cash dividends received from Northam in respect of the BEE Shares;

4.3.2.3.2 issues capitalisation shares or letters of allocation pursuant to a rights offer, in respect of the BEE Shares, the Agent will sell these and the net proceeds received shall be applied solely towards the payment of accumulated Preference Dividends and any excess proceeds shall be deposited into the Distribution Receipts Account;

4.3.2.3.3 pays a special dividend or a Return of Capital in respect of the BEE Shares or repurchases any or all of the BEE Shares, such amounts will be applied solely towards the payment of accumulated Preference Dividends and any excess amounts shall be deposited into the Distribution Receipts Account.

4.3.2.4 *Term*

Subject to certain exceptions (discussed below), the Zambezi Platinum Preference Shares will be compulsorily redeemable on the day immediately preceding the 10^{th} (tenth) anniversary of the Implementation Date.

In the event that there is available cash in the Distribution Receipts Account ("**Excess Cash**"):

- at any time prior to the date occurring 3 (three) years and 1 (one) day after the Implementation Date, Zambezi Platinum shall be entitled, but not obliged, to utilise the Excess Cash to redeem Zambezi Platinum Preference Shares; or
- at any time on or after the date occurring 3 (three) years and 1 (one) day after the Implementation Date, and such Excess Cash exceeds R10 000 000 (ten million Rand) and all accumulated Preference Dividends have been paid, Zambezi Platinum shall be obliged to utilise the Excess Cash to redeem Zambezi Platinum Preference Shares.

If a Company Trigger Event occurs, Northam, in its capacity as the holder of the N Share, shall have the right to require the full and immediate redemption of the Zambezi Platinum Preference Shares and settlement of any outstanding Preference Dividends.

If a Company Trigger Event or a Northam Trigger Event occurs, the Holders shall have the right to require the full and immediate redemption of the Zambezi Platinum Preference Shares and settlement of any outstanding Preference Dividends.

The provisions regarding early redemption events provide a mechanism through which the interests of Northam and the Holders will be protected.

4.3.2.5 *Redemption*

Subject to certain exceptions, Zambezi Platinum will be entitled to settle the Redemption Price in cash or by transferring BEE Shares to the Holders, or a combination thereof. If Zambezi Platinum elects to transfer BEE Shares to the Holders, then the BEE Shares will be transferred at a price equal to 90% (ninety percent) of the 30 Day VWAP (as such term is defined in the Preference Share Terms) of a Northam Share on the date on which Zambezi Platinum becomes obliged to redeem the Zambezi Platinum Preference Shares.

Zambezi Platinum will be obliged to make payment of all unpaid Preference Dividends to the Holders on the same day that the Zambezi Platinum Preference Shares are redeemed.

4.3.2.6 *Return of capital*

On the liquidation of the Company each Zambezi Platinum Preference Share shall confer on its Holder a right to a return of capital in an amount equal to the Redemption Price of that Zambezi Platinum Preference Share together with all accumulated Preference Dividends calculated up to the day on which that return of capital is paid to the applicable Holder.

Save as contemplated above, the Zambezi Platinum Preference Shares shall not be entitled to participate in the Company's excess assets on its liquidation.

4.3.2.7 *Meetings and voting rights of Holders*

The Zambezi Platinum Preference Shares shall not entitle the Holders to vote at meetings of the Company's shareholders except in the circumstances contemplated in clause 11 of the Preference Share Terms.

If the Zambezi Platinum Preference Shares are entitled to vote, those shares shall, between them, be entitled to such a number of votes as is equal to 95% (ninety five percent) of all the votes exercisable by all of the holders of Zambezi Platinum Ordinary Shares.

The Agent shall (i) represent the Holders in their dealings with the Company arising under the Zambezi Platinum Preference Shares and the Preference Share Terms; (ii) if it becomes necessary for the Holders to make a decision, convene a meeting of Holders.

If it becomes necessary for the Agent to convene a meeting of Holders the Agent shall convene such meeting by publishing a notice to the Holders on SENS setting out (i) the date and time of the meeting and (ii) the details of the decision that the Holders are required to make at the meeting.

The quorum for meetings of the Holders shall be Holders who, between them, are the registered Holders of at least 25% (twenty five percent) of the outstanding Zambezi Platinum Preference Shares. Each Holder shall have 1 (one) vote for each Zambezi Platinum Preference Shares held by him; and all resolutions shall be taken by means of a poll.

The requisite percentage of votes required to be cast by Holders in favour of certain decisions is set out in the table below:

Decision	**Required majority**
Any amendment of the Preference Share Terms	80%
Enforcement of the Company's rights under the Administration Services Agreement	80%
Any amendment to the Northam Guarantee	80%
Any consent or approval required by the Company pursuant to the Preference Share Terms	80%
The issue of a Holder Cure Notice	25% plus one vote
The issue of any Holder Redemption Notice	25% plus one vote

Decision	Required majority
Any decision to institute legal proceedings against the Company or to claim against the Northam Guarantee	25% plus one vote
Any decision not specifically mentioned in this table	80% plus one vote

4.3.2.8 *Enforcement*

If the Holders resolve (by the required majority as set out in the table above) to institute any action of any nature whatsoever against the Company (arising under the Zambezi Platinum Preference Shares and the Preference Share Terms) or against Northam (arising under the Northam Guarantee):

- the Holders shall, by a required majority of 50% (fifty percent) plus 1 (one) vote, appoint an attorney to prosecute those proceedings;
- the Holders shall, pro rata to their holdings of the Zambezi Platinum Preference Shares, pay the reasonable costs of the applicable attorney in instituting those proceedings; and
- any decision relating to those proceedings shall be adopted by the Holders by a required majority of 50% (fifty percent) plus 1 (one) vote.

4.3.3 ***N Share***

The purpose of the N Share is to allow the holder, Northam, to take certain mitigating action in the event of the occurrence of a Company Trigger Event under the Preference Share Terms and/or the unwinding of the Transaction prior to the expiry of the Lock-in Period.

If a Company Trigger Event occurs, Northam, in its capacity as the holder of the N Share, shall have the right to mitigate its potential exposure under the Northam Guarantee by requiring the full and immediate redemption of the Zambezi Platinum Preference Shares and settlement of any outstanding Preference Dividends. Furthermore, if the Transaction is unwound as a result of the occurrence of a Company Trigger Event or a Northam Trigger Event, (i) the occurrence of which was brought about through the actions or inactions of the Company or was otherwise within the control of the Company and/or (ii) which relates to the HDSA status of the Company ("**Company Voluntary Trigger Event**"), then Northam, in its capacity as the holder of the N Share shall be entitled to receive a Distribution from the Company ("**N Share Distribution**"). The N Share Distribution shall be an amount equal to the amount of the Lock-in and Restraint Payment escalated at the aggregate of the Prime Rate plus 3.5% (three point five percent) calculated daily and based on a 365 (three hundred and sixty five) day year, irrespective of whether the applicable year is a leap year, compounded annually. The N Share Distribution shall be payable by the Company on the Business Day after the date on which the Company makes payment of the Redemption Price and all unpaid Preference Dividends, alternatively, in the event that the Company fails to redeem the Zambezi Platinum Preference Shares in full and pay all unpaid Preference Dividends, the Business Day after Northam settles the aforesaid amounts under the Northam Guarantee.

The N Share Distribution shall rank ahead of the Distribution rights of the holders of Zambezi Platinum Ordinary Shares.

On the liquidation of the Company, the N Share will entitle the holder to a right to a return of capital in an amount equal to the N Share Distribution, provided that a Company Trigger Event or a Northam Trigger Event has occurred and that the Company has become obliged to redeem the Zambezi Platinum Preference Shares. The rights of the holder of the N Share on the liquidation of the Company shall rank after the rights of the Holders but prior to the rights of the holders of the Zambezi Platinum Ordinary Shares.

Save as contemplated above, the holder of the N Share shall not be entitled to participate in the Company's excess assets on its liquidation.

4.3.4 ***Alterations to the share capital***

The following alterations to the share capital of Zambezi Platinum have been effected in the preceding 3 (three) years:

Pursuant to the adoption of the Zambezi Platinum MOI, with effect from 16 February 2015:

- the number of authorised Zambezi Platinum Ordinary Shares was increased from 5 000 (five thousand) to 11 000 (eleven thousand) Zambezi Platinum Ordinary Shares;
- 1 (one) authorised N Share was created; and
- 159 905 453 (one hundred and fifty nine million nine hundred and five thousand four hundred and fifty three) Zambezi Platinum Preference Shares were created.

5. OPTIONS OR PREFERENTIAL RIGHTS IN RESPECT OF SHARES

In terms of the Zambezi Platinum Pledge and Cession, for so long as any Zambezi Platinum Preference Shares are in issue, if the Company is unable to make payment of the Redemption Price in respect of all of the Zambezi Platinum Preference Shares together with all unpaid Preference Dividends then Northam shall, as an alternative to settling any claims under the Northam Guarantee (described in section 2, paragraph 3.4.2), have the option to subscribe for Zambezi Platinum Ordinary Shares in order to capitalise the Company so as to enable the Company to settle its payment obligations in respect of the Zambezi Platinum Preference Shares (''**Subscription Option**''). Should Northam exercise the Subscription Option, it will have the right to require the Company to repurchase the Zambezi Platinum Ordinary Shares subscribed for by Northam at an amount equal to the original subscription price (''**Put Option**''). The Put Option will rank ahead of the right of the remaining holders of Zambezi Platinum Ordinary Shares to receive any Distributions.

There are no options or preferential rights to subscribe for Zambezi Platinum Preference Shares which are capable of being exercised.

The address of Northam is set out in section 1, paragraph 1.3.2.

6. COMMISSIONS PAID OR PAYABLE IN RESPECT OF UNDERWRITING

6.1 Amount of consideration payable to the Zambezi Platinum Preference Share Subscribers

Northam (and not Zambezi Platinum) has agreed to pay the following liquidity fees:

- R126 403 089.20 (one hundred and twenty six million four hundred and three thousand and eighty nine Rand and twenty cents) to the PIC; and
- R37 500 000.15 (thirty seven million five hundred thousand Rand and fifteen cents) to Coronation.

6.2 Name, occupation and business address of Zambezi Platinum Preference Share Subscribers

6.2.1 ***PIC***

The PIC is one of the largest investment managers in Africa, managing assets in excess of R1.4 trillion. The PIC is owned by the South African Government, with the Minister of Finance as its shareholder representative.

Address:
Block C, Riverwalk Office Park
41 Matroosberg Road (corner Garsfontein and Matroosberg Roads)
Ashlea Gardens Extension 6
Menlo Park, Pretoria
South Africa.

6.2.2 ***Coronation***

Coronation is an independent investment business focused solely on fund management.

Address:
7th Floor
MontClare Place
Cnr Campground & Main Roads
Claremont
Cape Town
South Africa, 7708.

6.3 **Amounts subscribed for by each of the Zambezi Platinum Preference Share Subscribers**

- R3 099 999 996 (three billion and ninety nine million nine hundred and ninety nine thousand nine hundred and ninety six Rand) by the PIC; and
- R1 500 000 006 (one billion five hundred million and six Rand) by Coronation.

6.4 **Names of the directors of each of the Zambezi Platinum Preference Share Subscribers**

- PIC directors:
  - M Jonas
  - M More
  - D Matjila
  - T Goba
  - D Hlatshwayo
  - V Jack
  - P Mngconkola
  - R Morar
  - M Moses
  - R Woodroffe
  - S Zulu
- Coronation directors:
  - JA Snalam
  - HA Nelson
  - AC Pillay

6.5 **Rate of commission payable to the Zambezi Platinum Preference Share Subscribers**

The liquidity fee payable to each of the Zambezi Platinum Preference Share Subscribers by Northam is equal to an amount of 2.5% (two point five percent) of the respective amounts committed to by each of the Zambezi Platinum Preference Share Subscribers in terms of the Commitment, as disclosed in section 1, paragraph 6.3 above.

6.6 **Beneficial interest in the Zambezi Platinum Preference Share Subscribers held by Directors of Zambezi Platinum**

No director, promoter or officer of Zambezi Platinum holds any direct or indirect interest in any of the Zambezi Platinum Preference Share Subscribers.

7. MATERIAL CONTRACTS

Zambezi Platinum has not entered into and will not enter into any agreements other than in the ordinary course of the business carried on or proposed to be carried on by Zambezi Platinum.

8. INTERESTS OF DIRECTORS AND PROMOTERS

In terms of the Subscription Agreement, Zambezi Platinum has undertaken not to dispose of or encumber the BEE Shares for the duration of the Lock-in Period, other than in accordance with the Preference Share Terms and the Zambezi Platinum Pledge and Cession. In terms of the Relationship Agreements, the HDSA Participants have, in turn, undertaken not to dispose of or encumber their Zambezi Platinum Ordinary Shares for the duration of the Lock-in Period. Furthermore, Zambezi Platinum has, pursuant to the Subscription Agreement, and the HDSA Participants have, pursuant to their respective Relationship Agreements, undertaken in favour of Northam not to be engaged, directly or indirectly, or in any way interested, in any PGM exploration, PGM prospecting or PGM mining activities or in any competitor of the Northam Group for the duration of the Lock-in Period, save to the extent specifically permitted under such Relationship Agreements.

As consideration for entering into the Lock-in Arrangement, and in recognition of the benefit that Northam and the Northam Shareholders will derive from the Lock-in Arrangement, on the Implementation Date Northam shall pay the Lock-in and Restraint Payment to Zambezi Platinum, being a once off gross amount of R400 000 000 (four hundred million Rand).

The Lock-in and Restraint Payment, net of taxes payable by Zambezi Platinum or which Zambezi Platinum is required by law to withhold, will be distributed by Zambezi Platinum to the HDSA Participants as a dividend. Each of the HDSA Participants will, in turn, utilise their portion of the Lock-in and Restraint Payment ("**Lock-in Funds**") as follows:

8.1 each of the Strategic Partners and the Women's Consortium will distribute its portion of the Lock-in Funds as a dividend to its shareholders;

8.2 the ESOP Trust will invest its portion of the Lock-in Funds in permanent capital goods and infrastructure or education or healthcare projects for the benefit of its beneficiaries, as approved by Northam; and

8.3 each of the Zondereinde Community Trust and the Booysendal Community Trust will invest its portion of the Lock-in Funds in community development activities for the benefit of its beneficiaries as approved by Northam.

Upon implementation of the Transaction, the following proposed Directors (together with their associates) will have a beneficial interest in the Company in accordance with the table below:

Name of Director	**Consortia in which the Director has an interest**	**Effective interest in Zambezi Platinum Ordinary Shares (%)***
Mr PL Zim	Atisa Platinum Consortium and Mpilo Platinum Consortium	11.0%
Mr S Mseleku	Mpilo Platinum Consortium	9.8%
Mr B Mosehla	Malundi Resources Consortium	3.2%
Ms N Mazwai	Women's Consortium	6.6%
Total		30.6%

** Figures included in this table have been rounded according to standard rounding conventions.*

9. SHARES ISSUED OR TO BE ISSUED OTHER THAN FOR CASH

In terms of the PIC Sale of Shares Agreement, the Company will purchase the PIC Sale Shares from the PIC at an aggregate purchase consideration of R1 956 123 571 (one billion nine hundred and fifty six million one hundred and twenty three thousand five hundred and seventy one Rand).

The purchase consideration payable in terms of the PIC Sale of Shares Agreement will be settled by the Company issuing 47 710 331 (forty seven million seven hundred and ten thousand three hundred and thirty one) Zambezi Platinum Preference Shares to the PIC at a subscription price of R41 (forty one Rand) per Zambezi Platinum Preference Share, amounting to an aggregate subscription consideration equal to the purchase consideration payable in respect of the PIC Sale Shares and otherwise on *mutatis mutandis* the same terms as the Offer.

10. AMOUNTS PAID OR PAYABLE TO PROMOTERS

No amounts have been paid or are contemplated to be paid to any promoter in relation to the issue of the Zambezi Platinum Preference Shares other than the Lock-in and Restraint Payment, the details of which are set out in section 1, paragraph 8.

11. PRELIMINARY EXPENSES AND ISSUE EXPENSES

In terms of the Transaction, Northam will be liable for the preliminary expenses and expenses incurred by the Company in relation to the Offer and this Prospectus. The estimate of such expenses and the persons to whom they will be paid are detailed below.

Service	Name of service provider	Excluding VAT (R'000)
JSE debt sponsor	One Capital	100
Attorneys	Cliffe Dekker Hofmeyr	1 000
Registration of Prospectus	CIPC	5
Auditor and reporting accountant	Ernst & Young	600*
JSE documentation inspection and listing fees	JSE	65
Printing and publishing costs	INCE	110
Transfer secretaries	Computershare	100
TOTAL		1 980

** This fee has not been split as it has been charged in terms of a single mandate.*

SECTION 2: PURPOSE OF THE OFFER

1. PURPOSE OF THE OFFER

Zambezi Platinum has been established as the special purpose vehicle through which the Transaction will be implemented and the combined economic interests of the HDSA Participants will be held. Detailed information regarding the Transaction, Zambezi Platinum, the HDSA Participants and their respective shareholding structures is set out in the Transaction Circular.

Zambezi Platinum has *inter alia* entered into the Subscription Agreement with Northam. In terms of the Subscription Agreement, Zambezi Platinum will subscribe for the Subscription Shares at the Subscription Price, amounting to an aggregate Subscription Price of R4 600 000 002 (four billion six hundred million and two Rand).

In order to fund the Subscription Price, Zambezi Platinum and Northam have agreed to jointly undertake a capital raising which will be implemented by way of the Offer by Northam, on behalf of Zambezi Platinum, to Qualifying Shareholders, to subscribe for 112 195 122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) Zambezi Platinum Preference Shares in proportion to their shareholdings in Northam, at the Issue Price, through the issue of Letters of Allocation.

The entire proceeds received pursuant to the Offer will be utilised to settle the Subscription Price. Northam and Zambezi Platinum have entered into the Co-operation Agreement in terms of which they have agreed to co-operate with one another in order to implement the Offer and the Transaction and Zambezi Platinum will provide the Prospectus to Northam Shareholders.

On 17 February 2015, Northam issued the Transaction Circular to Northam Shareholders setting out the details of the Transaction and convening a general meeting of Northam Shareholders to *inter alia* consider, and if deemed fit, pass the resolutions required to implement the Transaction. The general meeting of Northam Shareholders was held on Thursday, 19 March 2015 and all the requisite resolutions were passed, as detailed in the SENS announcement dated 19 March 2015.

Accordingly, Northam now wishes to proceed with the Offer and this Prospectus constitutes the Prospectus, as contemplated in the Transaction Circular, the purpose of which is to, together with the Offer Circular, provide Northam Shareholders with information relating to the Offer, the Offer Shares and Zambezi Platinum.

On the Implementation Date, the Zambezi Platinum Preference Shares will be issued to Offer Participants and listed on the Exchange.

2. TIMES AND DATES

The Offer will open at 09:00 on Tuesday, 28 April 2015 and will close at the end of trade on Friday, 15 May 2015. **Full details of the salient dates and times relating to the Offer are set out in the Offer Circular.**

3. PARTICULARS OF THE OFFER

3.1 Class of securities being offered

Zambezi Platinum Preference Shares are being offered.

3.2 Number of securities being offered

112 195 122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) Zambezi Platinum Preference Shares are being offered.

3.3 Issue price of securities

The Offer Shares will be issued at R41 (forty one Rand) per Offer Share.

3.4 **Particulars of the security arrangements**

3.4.1 ***Ring-fencing***

Zambezi Platinum is a ring-fenced entity that cannot transact outside of the approved parameters of the Transaction. It is precluded from, *inter alia*, encumbering or disposing of its assets during the Lock-in Period. Pursuant to the security arrangements, all Distributions paid by Northam in respect of the BEE Shares will be deposited into the Distribution Receipts Account and Zambezi Platinum will be obliged to utilise the cash accumulated in the Distribution Receipts Account strictly in accordance with the Preference Share Terms. Northam will operate the Distribution Receipts Account on behalf of Zambezi Platinum.

3.4.2 ***Northam Guarantee***

Payment of the Redemption Price in respect of the Zambezi Platinum Preference Shares and the Preference Dividends will be guaranteed by Northam by way of the Northam Guarantee, on the basis that the Northam Guarantee will constitute a stipulation for the benefit of all the Holders. In terms of the Northam Guarantee, Northam will guarantee the payment of all amounts which Zambezi Platinum has contracted to pay (but failed to pay on the due date therefor) in respect of the Zambezi Platinum Preference Shares by means of, at Northam's election (subject to certain exceptions), a cash payment and/or the issue of a determinable number of Northam Shares to the Holders.

In the event that Northam elects to issue new Northam Shares to Holders, such Northam Shares will be issued at a price equal to 95% (ninety five percent) of the volume weighted average traded price at which a Northam Share traded on the JSE for the 10 (ten) trading days immediately succeeding the date that notice of a claim under the Northam Guarantee is received.

Please refer to annexure 3 for further information in relation to the Guarantor and annexure 4 for an extract of the Northam Guarantee.

3.4.3 ***Northam Clawback and Zambezi Platinum Pledge and Cession***

If the Northam Guarantee is called up by the Agent, on behalf of the Holders and Northam makes or settles any payments under the Northam Guarantee (in cash and/or by issuing new Northam Shares), Northam will be entitled, under the Northam Clawback, to claim payment from Zambezi Platinum of the amounts thus paid or settled by Northam. In order to secure Zambezi Platinum's obligations under the Northam Clawback, Zambezi Platinum and Northam entered into the Zambezi Platinum Pledge and Cession in terms of which Zambezi Platinum will pledge and cede, *in securitatem debiti* (i) the BEE Shares and (ii) its right, title and interest in and to the Distribution Receipts Account, to Northam.

In terms of the Zambezi Platinum Pledge and Cession, if Zambezi Platinum is unable to make payment of the Redemption Price in respect of the Zambezi Platinum Preference Shares together with the Preference Dividends in full, then Northam shall, as an alternative to settling any claims under the Northam Guarantee, have the Subscription Option and the Put Option as more fully set out in section 1, paragraph 5. Should Northam exercise the Subscription Option, it will be entitled to the Put Option as envisaged in section 1, paragraph 5.

3.5 **Other terms and conditions**

The following is a summary of the terms and conditions of the Offer. Full details regarding the Offer, including who may be restricted from participating in the Offer, and the procedures to be followed in order to exercise Rights, are set out in the Offer Circular.

3.5.1 ***Issue of Letters of Allocation***

Qualifying Shareholders will be issued with Letters of Allocation which will (i) be issued in Dematerialised form and listed on the Exchange; (ii) be capable of being traded on the Exchange during the offer period and (iii) be renounceable.

3.5.2 ***Entitlement***

In terms of the Offer, Qualifying Shareholders will be granted the right to subscribe for 28.21907 (twenty eight point two one nine zero seven) Offer Shares for every 100 (one hundred) Northam Shares held on the Record Date. In this regard, Northam Shareholders are referred to the table of entitlement set out in the Offer Circular.

3.5.3 ***Fractional entitlements***

Only whole numbers of Offer Shares will be issued upon the exercise of Rights and Qualifying Shareholders will be entitled to rounded numbers of Offer Shares. Fractional entitlements of 0.5 (zero point five) or greater will be rounded up and less than 0.5 (zero point five) will be rounded down.

3.5.4 ***Excess applications***

Applications for Excess Offer Shares will be permitted.

Offer Shares not taken up pursuant to the exercise of Rights in terms of the Offer will be available for allocation to Qualifying Shareholders who wish to apply for a greater number of Offer Shares than those provisionally allocated to them in terms of the Offer in accordance with the provisions set out in the Offer Circular.

3.5.5 ***Suspensive conditions***

There are no suspensive conditions to the Offer.

3.5.6 ***Northam Shareholders outside of South Africa***

The making of the Offer, the distribution of the Prospectus and the transfer of Zambezi Platinum Preference Shares and/or Letters of Allocation to certain persons who have registered addresses outside South Africa, or who are resident, or located, in, or citizens of, countries other than South Africa, may be restricted by the laws of the relevant jurisdiction and failure to comply with any of those restrictions may constitute a contravention of the laws of any such territory.

Non-residents should consult their professional advisors as to whether they require any governmental or other consents or need to observe any other formalities to enable them to exercise their Rights and/or to sell or renounce their Letters of Allocation.

3.5.7 ***Restricted Territories***

Subject to certain exceptions, the Letters of Allocation and Offer Shares may not be transferred or sold to, or renounced or delivered in the Restricted Territories. No offer of Offer Shares is being made by virtue of this Prospectus or the Offer Circular into the Restricted Territories.

Although Letters of Allocation may be credited to the CSDP or broker securities accounts of Qualifying Dematerialised Shareholders (i) with a registered address, or resident, in one of the Restricted Territories, or (ii) with a registered address, or who hold Northam Shares on behalf of persons located in the United States, or who hold Northam Shares on behalf of any person on a non-discretionary basis who is in the United States, or any state of the United States, such crediting of Letters of Allocation does not constitute an offer to such Northam Shareholders and such Northam Shareholders will not be entitled to take up or transfer Letters of Allocation or acquire Offer Shares unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

The attention of Qualifying Shareholders and persons who acquire Letters of Allocation, who are resident or located outside of South Africa is drawn to paragraph 3.11 and to paragraph 3.12 of the Offer Circular.

3.6 **Previous issues of securities**

The Company issued 1 (one) Zambezi Platinum Ordinary Share to Northam on 2 October 2014 at a nominal subscription price of R0.01 (one cent).

4. MINIMUM SUBSCRIPTION

The minimum subscription, as contemplated in regulation 73(2)(a), is the full amount of the Offer, being an amount of R4 600 000 002 (four billion six hundred million and two Rand).

SECTION 3: STATEMENTS AND REPORTS RELATING TO THE OFFER

1. STATEMENT AS TO ADEQUACY OF CAPITAL

The Directors are of the opinion that the issued share capital of the Company will be adequate for the purposes of the business of the Company for at least 12 (twelve) months after the date of this Prospectus. The Company has no Subsidiaries.

3. STATEMENT AS TO LISTING ON THE STOCK EXCHANGE

The Issuer Regulation Division of the JSE has approved the listing of the Letters of Allocation and the Zambezi Platinum Preference Shares on the Exchange as follows:

3.1 Letters of Allocation in respect of the Offer Shares will be listed from 09:00 on Monday, 20 April 2015 until the close of trade on Friday, 8 May 2015, both days inclusive. The rights will trade under the JSE code NHMN and have been allocated an ISIN of ZAE000203014; and

3.2 159 905 453 (one hundred and fifty nine million nine hundred and five thousand four hundred and fifty three) Zambezi Platinum Preference Shares will be listed with effect from Monday, 11 May 2015 and have been allocated an ISIN of ZAE000202552 under the JSE preference share code of ZPLP.

4. REPORT BY THE AUDITOR WHERE BUSINESS UNDERTAKING TO BE ACQUIRED

A report by the Auditor on:

4.1 the profits or losses of Northam in respect of each of the 3 (three) financial years preceding the date of this Prospectus; and

4.2 the assets and liabilities of Northam as at the last date to which the financial statements of Northam were made out,

is set out in annexure 6.

6. REPORT BY THE AUDITOR OF THE COMPANY

No financial statements were made out by or for the Company in respect of any part of the 3 (three) years ending on a date 3 (three) months before the issue of this Prospectus. A report by the Auditor confirming this statement of fact is annexed as annexure 7.

7. REQUIREMENTS FOR A MINING COMPANY

7.1 **Expert report**

A copy of the expert's report prepared by the lead competent persons being Mr C van Jaarsveld, Mr M Mqadi, Mr W Theron and Mr D Smith, which includes the information required to be disclosed in terms of Regulation 80(3)(a) and Regulation 80(3)(b) in respect of the mining assets of Northam is attached as annexure 8.

7.2 **Material information and mineral rights**

The material information in relation to and the mineral rights of Northam is set out in the expert's report attached as annexure 8.

7.3 **Statement by Directors as to the plans**

The proceeds of the Offer will be utilised by Zambezi Platinum to acquire only a partial shareholding interest in Northam, being a mining company.

Accordingly, since Zambezi Platinum will be a passive investment holding vehicle, the Directors are not in a position to make any statements regarding the plans for each asset of Northam, as contemplated in Regulation 80(3)(c).

SECTION 4: ADDITIONAL MATERIAL INFORMATION

This section 4 of the Prospectus sets out material information relating to the Offer which is not contemplated in sections 1, 2 or 3 and any additional information required by the Exchange not included elsewhere in this Prospectus.

1. INVESTOR CONSIDERATIONS / RISK FACTORS

The Company believes that the factors outlined below may affect its ability to fulfil its obligations under the Zambezi Platinum Preference Shares. All of these factors are contingencies which may or may not occur and the Company is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Zambezi Platinum Preference Shares are also described below. The value of the Zambezi Platinum Preference Shares could decline as a result of any of these risks materialising.

The Company believes that the factors described below represent the principal risks inherent in investing in the Zambezi Platinum Preference Shares, but the inability of the Company to pay Preference Dividends, the Redemption Price or other amounts on or in connection with any Zambezi Platinum Preference Shares may occur for other reasons which may not be considered significant risks by the Company based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Company does not represent that the statements below regarding the risks of holding any Zambezi Platinum Preference Share are exhaustive.

1.1 Risks relating to the Zambezi Platinum Preference Shares

1.1.1 *The Zambezi Platinum Preference Shares may not be a suitable investment for all investors*

Each potential investor in any Zambezi Platinum Preference Share must determine the suitability of its potential investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Zambezi Platinum Preference Shares, the merits and risks of investing in the Zambezi Platinum Preference Shares and the information contained or incorporated by reference in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Zambezi Platinum Preference Shares and the impact such an investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Zambezi Platinum Preference Shares, including where the currency for the Redemption Price or the Preference Dividends is different from the potential investor's currency;
- thoroughly understand the Preference Share Terms and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some preference shares are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in preference shares which are complex financial instruments unless it has the expertise (either alone or with a financial advisor) to evaluate how the preference shares will perform under changing conditions, the resulting effects on the value of the preference shares and the impact this investment will have on the potential investor's overall investment portfolio.

1.1.2 ***There is no active trading market for the Zambezi Platinum Preference Shares***

Zambezi Platinum Preference Shares issued under the Prospectus will be new securities which may not be widely held and for which there is currently no active trading market. If the Zambezi Platinum Preference Shares are traded after their initial issuance, they may trade at a discount to the Issue Price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Company. There is no assurance as to the development or liquidity of any trading market for the Zambezi Platinum Preference Shares.

1.1.3 ***The Zambezi Platinum Preference Shares may be redeemed prior to maturity***

In terms of the Preference Shares Terms, the Company is entitled (but not obliged) to redeem the Zambezi Platinum Preference Shares at any time prior to the day after the 3rd (third) anniversary of the Implementation Date. Such redemption may only take place out of cash accumulated in amounts from the Distribution Receipts Account.

The Company may choose to redeem the Zambezi Platinum Preference Shares in accordance with the aforementioned terms if prevailing interest rates are relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate which is as high as the Dividend Rate of the relevant Zambezi Platinum Preference Share.

In the event that a Company Trigger Event or a Northam Trigger Event occurs, the Company may become obliged to redeem the Zambezi Platinum Preference Shares prior to the maturity date.

1.1.4 ***Because the Zambezi Platinum Preference Shares will be listed on the Exchange, investors will have to rely on the procedures for transfer of the JSE and the CSD and communication with the issuer***

The Zambezi Platinum Preference Shares will be listed on the Exchange with effect from the Implementation Date. Zambezi Platinum Preference Shares will be issued in Dematerialised form and settled in accordance with the applicable procedures for the time being of the JSE and the CSD through the electronic settlement system of the CSD. Refer to section 4, paragraph 2 for further information regarding the registration of holders of Zambezi Platinum Preference Shares, the trading and voting of Zambezi Platinum Preference Shares and the making of payments in respect of Zambezi Platinum Preference Shares.

1.1.5 ***Recourse to the JSE Guarantee Fund***

The Holders of Zambezi Platinum Preference Shares that are not listed on the Main Board of the JSE will have no recourse against the JSE Guarantee Fund. Claims against the JSE Guarantee Fund may only be made in respect of the trading in Zambezi Platinum Preference Shares listed on the Main Board of the JSE and in accordance with the terms and rules of the JSE Guarantee Fund and can in no way relate to a default by Zambezi Platinum of its obligations in terms of the issue of the Zambezi Platinum Preference Shares. Unlisted Zambezi Platinum Preference Shares are not regulated by the JSE.

1.1.6 ***Modification and waivers and substitution***

The conditions pertaining to the Zambezi Platinum Preference Shares contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

1.1.7 ***Change of law***

The Zambezi Platinum Preference Shares are governed by, and will be construed in accordance with, South African law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to South African law or administrative practice in South Africa after the date of this Prospectus.

1.1.8 ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) Zambezi Platinum Preference Shares are permissible investments, (ii) Zambezi Platinum Preference Shares can be used as collateral for various types of borrowings and (iii) other restrictions apply to its purchase or pledge of any Zambezi Platinum Preference Shares. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Zambezi Platinum Preference Shares under any applicable risk-based capital or similar rules.

1.2 **Risks Relating to Zambezi Platinum's business**

Due to the fact that the proceeds of the Offer will be used to purchase Northam Shares, the risks relating to Zambezi Platinum will be similar to the risks relating to Northam. Below are the key risks pertaining to Northam's, and therefore the Company's, business.

1.2.1 ***Risks associated with trade union participation including disruption from labour disputes***

Mining companies in South Africa face the risk of labour disruption from labour disputes and South African labour law. There may be periods when various stakeholders are unable to agree in dispute resolution processes. Recently, trade union strike action at underground mines has had a major effect on the mining industry in South Africa. Northam is at risk of production stoppages for indefinite periods due to strikes, violence and labour related disputes. Northam is unable to predict whether it will experience labour disputes in the future or whether such disputes, if they arise, could have an adverse effect on its business, operating results or financial condition.

Developments in South African labour law or in the market terms of employment in the mining industry may increase the costs of production or alter Northam's relationship with its employees and trade unions which may have an adverse effect on its business, operating results and financial condition.

1.2.2 ***Estimations of mineral resources and mineral reserves***

Northam reports its mineral reserves and mineral resources in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves ("**SAMREC Code**") and the South African Code for the Reporting of Mineral Asset Valuation ("**SAMVAL Code**").

Northam's reported mineral reserves and mineral resources represent its estimate of quantities of PGMs that have the potential to be economically mined and refined under anticipated geological and economic conditions. Mineral reserves are estimated based on a number of factors which have been stated in accordance with SAMREC which include estimates of future cash costs, future PGM prices and future currency exchange rates. There are numerous uncertainties inherent in estimating quantities of reserves and resources and in projecting potential future rates of mineral production, including many factors beyond Northam's control.

Mineral reserves estimates are based on limited sampling and, consequently, are uncertain as the samples may not be representative of the entire ore body and mineral resource. As a better understanding of the ore body and resources is obtained, the estimates may change significantly. In addition, actual reserves may not conform to geological, metallurgical or other expectations and the volume and grade of ore recovered may be below the estimated levels.

Accordingly, mineral reserves and mineral resources data is not indicative of future production. Moreover, mineral reserve estimates should not be interpreted as assurances of the economic life of Northam's PGM deposits or the future profitability of operations.

1.2.3 ***Exploration and development of mineral deposits***

Exploration and development of mineral deposits is subject to the environmental and industrial hazards and risks normally encountered in such activities. Such hazards and risks include rock bursts, seismic events, underground fires, cave-ins or falls of ground, discharges of gases and toxic chemicals, release of radioactive hazards, flooding, pillar mining, general accidents and other conditions resulting from drilling, blasting and removal and processing of material. Northam is at risk from any of these hazards and risks. The occurrence of any of these could delay production, increase cash costs or result in financial liability for Northam.

Seismic activity is of particular concern in underground mining operations, particularly in South Africa due to the extent and extreme depth of mining. Despite modifications to mine layouts and support technology, as well as other technological improvements employed with a view to minimising the incidence and impact of seismic activity, seismic events may cause death and injury to employees and contractors. Seismic activity may also cause the loss of mining equipment, damage to or destruction of mineral properties or production facilities, monetary losses, environmental damage and potential legal liabilities at operations where seismic activity may be a factor. As a result, these events may have a material adverse effect on Northam's results of operations and financial condition.

Unprecedented heavy rains could cause flooding of underground operations. This could result in temporary shutdowns of production, damage to equipment and health and safety risks. In addition, Northam's operations could be exposed to a number of physical risks from climate change, such as changes in rainfall rates, reduced water availability, higher temperatures and extreme weather events. Events or conditions such as flooding or inadequate water supplies could disrupt mining and transport operations, mineral processing and rehabilitation efforts, could create resource shortages and could damage property or equipment and increase health and safety risks on site. Remedial work to repair flood damage and rehabilitate flooded areas would also adversely impact cash costs per ounce.

Northam typically uses feasibility studies to determine whether to undertake development projects. Feasibility studies include estimates of expected or anticipated economic returns, which are based on assumptions about future PGM prices, anticipated tonnage, grades and metallurgical characteristics of ore to be mined and processed, anticipated recovery rates of PGMs and other metals as well as anticipated costs of the project. Accordingly, there can be no assurance that Northam will be able to identify future mineral reserves or mineral resources or continue to extend the mine life of its existing operations. Any failure to identify, delineate and realise mineral reserves or mineral resources in the future could have a material adverse effect on Northam's business, results of operations and financial condition.

During the period between completion of an initial feasibility study and completion of the development of a project, the economic feasibility of production may change due to factors beyond Northam's control. These factors impact on the risk of developing a project following the completion of an initial feasibility study.

Substantial capital expenditure is required to identify and delineate mineral reserves and mineral resources through geological surveying and drilling, to identify geological features that may prevent or restrict the extraction of ore, to determine the metallurgical processes to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. There can be no assurance that Northam will be able to fund the required capital expenditure in the future.

1.2.4 ***Mining rights***

Northam's right to own and exploit mineral resources, mineral reserves and deposits is governed by the MPRDA, the Mining Charter and associated laws and regulations. Northam's mining rights could be suspended or cancelled should it breach its obligations in respect of these rights.

The formulation or implementation of government policies on certain issues may be unpredictable. This may include changes in laws relating to mineral rights and ownership of mining assets and the right to prospect and mine, and in extreme cases, nationalisation, expropriation or nullification of existing concessions, licenses, permits, agreements and contracts.

Any existing and new mining and exploration operations and projects are subject to various national and local laws, policies and regulations governing the ownership and the right to prospect or mine or develop proposed projects. If Northam is not able to obtain or maintain necessary permits, authorisations or agreements to prospect or mine or to implement planned projects, or continue its operations under conditions, or comply with all laws, regulations or requirements, or within time-frames that make such plans and operations economically viable, or if the laws impacting Northam's ownership of its mineral rights, or the right to prospect or mine change materially, or should governments increase their ownership in the mines or nationalise them, Northam's results of operations and its financial condition could be adversely affected.

As required by the MPRDA, the Minister of Mineral Resources ("**Minister**") published a Code of Good Practice for the Minerals Industry ("**Code**") and the Housing and Living Conditions Standard ("**Standard**") in April 2009. The Code was developed to create principles to facilitate effective implementation of minerals and mining legislation and enhance implementation of the Mining Charter applicable to the mining industry. The Standard aims to include the provision of housing as an integral part of infrastructure during the development of a mine.

Northam's mining can be suspended or cancelled by the Minister if, upon notice of a breach from the Minister, Northam fails to remedy the breach. Usually such a notice of breach gives a mining company a reasonable time to remedy the nature of such a breach.

There have been instances where mining companies in South Africa have experienced difficulties or delays in obtaining mineral rights, including prospecting rights and mining rights. Delays in obtaining mineral rights in the future may result in delays to exploration or mining activities which would adversely affect results of operations. There can be no assurance that Northam will not experience any delays or difficulties in obtaining mineral rights in the future.

The Broad-Based Black Economic Empowerment Act, No. 53 of 2003 ("**BEE Act**") which was amended and the Codes of Good Practice published under the BEE Act ("**Codes of Good Practice**") were replaced. When certain of the amendments to the BEE Act and the new Codes of Good Practice come into operation, a standard framework for the measurement of black economic empowerment compliance across all sectors of the economy will be provided. As a result, there is a risk that all of the industry specific transformation charters, including the Mining Charter, may be superseded, in which case Northam would be required to comply with the criteria set forth under the BEE Act and any new Codes of Good Practice.

If Northam is unable to maintain its empowered status under the Mining Charter or comply with any other black economic empowerment regulations or policies, it may not be able to maintain its existing prospecting and mining rights and/or acquire any new rights and therefore would be obliged to suspend its operations, which would likely have a material adverse effect on Northam's business, financial condition and/or results of operations.

1.2.5 ***Ability to recruit and retain skilled and experienced employees***

Northam competes on a global basis with mining and other companies to attract and retain key human resources at all levels with the appropriate technical skills and operating and managerial experience necessary to operate its business. This is further exacerbated by mining activity across the globe, combined with the global shortage of key mining skills, including geologists, mining engineers, metallurgists and skilled artisans. Whilst Northam has entered into contractual arrangements with the aim of securing the services of key personnel, the retention of their services cannot be guaranteed.

The current shortage of skilled and experienced personnel in the mining industry in South Africa is likely to continue in the near future. Furthermore, the retention of staff is particularly challenging in South Africa where, in addition to the impacts of global industry shortages of skilled labour, Northam is required to achieve employment equity targets of participation by HDSAs in management and other positions. Northam competes with all companies in South Africa to attract and retain a small but growing pool of HDSAs with the necessary skills and experience.

Northam has developed appropriate remuneration policies and practices to retain its technical competitive edge in the industry. However, if Northam is unable to attract and retain sufficiently trained or experienced personnel, its business may suffer as a result and Northam may experience significantly higher staff costs, which could have a material adverse effect on its business, financial condition or results of operations.

1.2.6 *Use of contractors*

Northam uses contractors at certain of its operations to mine and deliver ore to processing plants as well as for other purposes. Operations could be disrupted, resulting in additional costs and liabilities, if a dispute arises in renegotiating a contract, or if there is a delay in replacing an existing contractor and its operating equipment to meet business needs at expected cost levels.

In addition, Northam's reduced control over those aspects of operations which are the responsibility of contractors, contractor failure to comply with the applicable legal and regulatory requirements and their inability to manage their workforce could adversely affect Northam's reputation, results of operations and financial position and may result in liabilities to third parties due to the actions of the contractor.

1.2.7 *Occupational health diseases*

The primary areas of focus in respect of occupational health of employees within Northam's operations are noise-induced hearing loss and occupational lung diseases, which include pulmonary diseases such as tuberculosis from various causes and silicosis in individuals exposed to silica dust.

These require active dust management strategies in underground operations, particularly in South Africa where a significant number of silicosis cases are still reported each year. Northam provides occupational health services to its employees at its occupational health centres and clinics and continues to improve preventative occupational hygiene initiatives. Actual and alleged health and safety incidents or breaches of standards may adversely impact Northam's reputation.

1.2.8 *Operations are subject to water use licenses*

Under South African law, Northam's operations are subject to water use licenses that govern water usage. These licenses require, *inter alia*, that mining operations achieve and maintain certain water quality limits for all water discharges, where these apply. Any failure by Northam to comply with the requirements of these licenses may result in penalties or business interruption due to revoked water licenses.

Shortages and interruptions in Northam's water supply or significant increases in water prices could have a material adverse effect on Northam's business, financial condition, results of operations and prospects.

1.3 Country Risk Relating to South Africa

1.3.1 *The South African mining landscape*

The South African mining landscape is shaped by various pieces of legislation which have been enacted to redress imbalances created by the discriminatory policies and practices of the past. The MPRDA and the Mining Charter create the framework for the transformation of the mining industry, and focus on the following key aspects:

- the vesting of all mineral rights in the state and promoting more equitable ownership of South Africa's mineral resources;
- onerous commitments to community, employees and training when applying for new order mining rights;
- the promotion of previously disadvantaged individuals and women into management positions;
- downstream beneficiation; and
- encouraging home ownership.

Northam's operations continue to make progress towards complying with the targets of the legislation and the Mining Charter and are implementing policies that foster the achievement of these national priorities, thereby ensuring that Northam retains its mining licence and operates as a socially responsible corporate citizen.

All of the Northam Group's old order mining rights have been converted to new order mining rights as required by the MPRDA.

1.3.2 *Supply of electricity and increases in the cost of power*

The transition of emerging markets to higher energy consumption, carbon taxation as well as unrest and potential conflict in the Middle East could result in constrained supply and sharply escalating oil and energy prices.

Northam's operations are dependent on electricity supplied by the national power generation company, Eskom, South Africa's state-owned utility. Electricity is used for most business and safety-critical operations. The unreliability of these local sources of power can have a material effect on Northam's operations, as large amounts of power are required for exploration, development, extraction, processing and other mining activities. Loss of power could impact production and employee safety and prolonged outages could lead to potential flooding of workings and ore sterilisation.

In 2008, Eskom warned it could no longer guarantee the availability of electricity to the South African mining industry. A warning of the 'very high' risk of blackouts was re-issued at the start of 2011 and recently again at the start of 2015. While a national energy conservation programme is in place, Eskom cannot guarantee that there will be no power interruptions. Accordingly, Northam cannot offer assurance that the power supply to its operations will not be curtailed or interrupted.

Eskom and the National Energy Regulator of South Africa recognise the need to increase electricity supply capacity and a series of tariff increases and proposals have been enacted to assist in the funding of this expansion. As energy represents a large proportion of Northam's operating costs, these increases have an adverse impact on the cash costs of its operations.

Interruptions and cuts in Northam's energy supply or significant increases in electricity prices could have a material adverse effect on Northam's business, financial condition and/or results of operations.

1.3.3 *Risks associated with HIV / AIDS and other diseases*

HIV / Aids is prevalent throughout Africa. The epidemic in South Africa poses risk in terms of potentially reduced productivity and increased medical or other costs. If there is a significant increase in HIV / Aids and related diseases in the workforce over the next several years, it may have an adverse impact on Northam's operations, projects and/or financial condition.

Northam continues to develop and implement programmes to help those infected with HIV and prevent new infections from spreading and may incur significant costs in addressing this issue in the future, which could also adversely impact its results of operations and/or financial condition.

1.3.4 *Economic, political, judicial, administrative or other regulatory factors*

Nationalisation encompasses a range of measures, such as expropriation or taxation, whereby governments increase their economic interest in natural resources, with or without compensation. The ruling party in South Africa, the African National Congress ("**ANC**") held a policy conference in June 2012 at which The State Intervention in the Minerals Sector report ("**SIMS Report**") was debated. Details of the resolutions adopted by the policy conference were made publicly available on 26 September 2012. Although wholesale nationalisation was rejected, a wide range of stakeholders have proposed other ways in which the State could extract greater economic value from the South African mining industry.

Northam may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors. There can be no assurance that future political and economic conditions will not result in the government adopting different policies in relation to development and ownership of Mineral Resources.

1.3.5 *Inflation risk*

Inflation in South Africa has fluctuated widely in recent years. Working costs and wages have increased by more than inflation in recent years resulting in significant cost pressures for the mining industry such as Eskom's electricity price increasing by more than 25 percent per annum from 2008 to 2011. Northam's profits and financial condition could be adversely affected when cost inflation is not offset against an increase in the price of PGMs and/or a devaluation of operating currencies.

1.4 Market, currency and interest rate risk

1.4.1 *The market price for PGMs can fluctuate widely*

These fluctuations are caused by numerous factors beyond Northam's control, including: speculative positions taken by investors or traders in PGMs; changes in the demand for PGMs for automotive and industrial uses, use in jewellery and for investment; changes in the supply of PGMs from production, disinvestment, scrap / recycling and hedging; global or regional political or economic events; and the costs of PGM production in major PGM-producing nations.

The risks of metal price fluctuations are inextricably linked with the business of Northam. As a PGM producer, Northam is a price taker and thus has no control over the commodity prices which are denominated in U.S. dollars. A reduction or decline in global PGM prices over a prolonged period in the future could have a material adverse effect on Northam's business, revenues, results of operations and financial condition. In the case of a significant prolonged reduction in the price of PGMs, Northam may be required to revise its development plans and budget and if the price falls below Northam's cost of production, it may determine that it is not economically feasible to continue commercial production at some or all of its operations.

On the basis that investors prefer to have full exposure to the PGM markets, Northam does not hedge either its currency or commodity price risk. As a result, Northam may realise the benefit of an increase in the PGM prices but it is not protected against a decrease in the price of PGMs.

1.4.2 *Exchange rate risk*

Northam's profits are sensitive to the Rand/U.S. dollar exchange rate because substantially all of the revenues are derived from sales denominated in US dollars while the vast majority of the operating costs are incurred in Rand. Northam has historically not hedged its exposure to foreign exchange rate fluctuations. A material appreciation in the value of the Rand against the U.S. dollar, without a corresponding increase in U.S. dollar PGM prices, may materially adversely impact Northam's results of operations and/or financial condition.

1.4.3 *Interest rate risk*

Northam has limited exposure to interest rate risk under its R1.37 billion issued domestic medium term notes. To optimally fund its growth and expansion strategy, Northam may supplement its internal cash resources with further borrowings. In a high interest rate environment, this could expose Northam to interest rate risk in the short to medium term.

1.5 Risk relating to laws and legislation

1.5.1 *Litigation in the normal course of business*

Northam may be subject to litigation, arbitration and other legal proceedings arising in the normal course of business and may be involved in disputes that may result in litigation. The causes of potential future litigation cannot be known and may arise from, among other things, business activities, environmental and health and safety concerns or failure to comply with disclosure obligations. The results of litigation cannot be predicted with certainty but could include, among other things, fines, and the loss of licenses, concessions, or rights.

Should Northam be unable to resolve disputes favourably or be unable to enforce its rights, this may have a material adverse impact on its financial performance, cash flow and/or results of operations.

1.5.2 *Health and safety laws and regulations*

Mining operations in South Africa are subject to a variety of industry-specific health and safety laws and regulations. These laws and regulations are designed to protect and improve the safety and health of employees.

From time to time, new or improved health and safety laws and regulations may be introduced and compliance with new standards may require an increase in expenditure and/or interruptions to operations and/or production, including as a result of any temporary failure to comply with applicable regulations, the results of operations and/or the financial condition of Northam could be adversely affected.

In South Africa, the government enforces compulsory shutdowns of operations to enable investigations into the cause of accidents at those operations. In particular, the so-called "Section 54" safety stoppages are prevalent. These factors could have a material adverse effect on Northam's results of operations and/or financial condition.

1.5.3 ***Environmental laws and regulations***

Northam's mining activities are subject to various laws and regulations relating to the protection of the environment. Whilst Northam intends to continue to operate in accordance with such laws and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development. Amendments to the current laws and regulations governing the protection of the environment, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of Northam.

Northam has a policy of evaluating, minimising and addressing the environmental consequences of its activities and, consistent with this policy and the MPRDA, conducts an annual review of the environmental costs and liabilities associated with its operations in light of applicable requirements.

Principal environmental risks relating to Northam are:

- water pollution;
- ground pollution;
- air pollution;
- biodiversity and land management;
- alien invasive vegetation; and
- waste management.

Environmental laws and regulations in South Africa establish limits and conditions on Northam's ability to conduct its operations and govern, among other things, extraction, usage and conservation of water resources; air emissions (including dust control) and water treatment and discharge; regulatory and community reporting; clean-up of contamination; worker safety and community health; and the generation, transportation, storage and disposal of solid and hazardous wastes, such as acids, radioactive materials and mine tailings.

Northam could incur fines, penalties and other sanctions, clean-up costs and third-party claims for personal injury or property damages; suffer reputational damage; and be required to install costly pollution control equipment or to modify or suspend operations, as a result of actual or alleged violations or liabilities under environmental laws and regulations.

Failure to comply with applicable environmental laws and regulations may also result in the suspension or revocation of permits. Northam's ability to obtain and maintain permits and to successfully operate in particular communities may be adversely impacted by real or perceived effects on the environment or human health and safety associated with its activities.

Environmental laws and regulations are continually changing and are generally becoming more restrictive. Changes to Northam's environmental compliance obligations or operating practices could adversely affect its rate of production and revenue. Variations in laws and regulations, assumptions made to estimate liabilities, standards or operating procedures, more stringent emission or pollution thresholds or controls, or the occurrence of unanticipated conditions, may require operations to be suspended or permanently closed, and could increase expenses and provisions. These expenses and provisions could adversely affect Northam's results of operations and its financial condition.

Mining and mineral processing operations generate waste rock and tailings. The impact of a breach, leak or other failure of a tailings storage facility can be significant. Such an incident could lead to, amongst other things, obligations to remediate environmental contamination and claims for property damage and personal injury.

Costs associated with rehabilitating land disturbed by mining processes and addressing environmental, health and community issues are estimated and financial provisions made are based upon current available information. Estimates may, however, be insufficient and further costs may be identified at any stage. Any underestimated or unidentified rehabilitation costs would reduce earnings and could materially and adversely affect Northam's asset values, earnings and/or cash flows.

2. SETTLEMENT AND TRANSFERS

2.1 Listing, registered holding and trading

The Zambezi Platinum Preference Shares will be listed on the Exchange with effect from the Implementation Date. Zambezi Platinum Preference Shares will be issued in Dematerialised form and settled in accordance with the applicable procedures for the time being of the JSE and the CSD through the electronic settlement system of the CSD. Except in the limited circumstances described in the Offer Circular, Offer Participants will not be entitled to receive certificates in respect of the Zambezi Platinum Preference Shares subscribed for pursuant to the Offer. The CSD will maintain records of the registered holders of Zambezi Platinum Preference Shares which Holders will be the CSDPs of the Offer Participants (unless such shares are subject to "own name" registration or are held in certificated form). Beneficial holders of Zambezi Platinum Preference Shares will only be able to trade their Zambezi Platinum Preference Shares in Dematerialised form through the CSD, in accordance with the applicable procedures.

2.2 Payments

Payments of Preference Dividends and the Redemption Price in respect of Dematerialised Zambezi Platinum Preference Shares will be made to the Holders and the Company will discharge its payment obligations under the Zambezi Platinum Preference Shares by making payments to the Holders for distribution to the beneficial holders of the Dematerialised Zambezi Platinum Preference Shares. A beneficial holder of Dematerialised Zambezi Platinum Preference Shares must rely on the procedures of the JSE and the CSD to receive payments under the relevant Zambezi Platinum Preference Shares. Each such beneficial holder of Dematerialised Zambezi Platinum Preference Shares shall look solely to his CSDP for his share of each payment so made by the Company to the Holders. The Company has no responsibility or liability for the records relating to, or payments made in respect of, such beneficial interests.

2.3 Voting

Holders of beneficial interests in Dematerialised Zambezi Platinum Preference Shares (other than those with "own-name" registration) will not have the right to attend and vote at meetings of Holders of Zambezi Platinum Preference Shares. Instead, each beneficial holder will be required to instruct his CSDP or broker, as the case may be, how to vote his Zambezi Platinum Preference Shares in accordance with the agreement between him and his CSDP or broker and, should he wish to attend a meeting of Holders, he shall be required to obtain a letter of representation from his CSDP or broker.

Neither the Company nor the Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial interests, or for maintaining, supervising or reviewing any records relating to beneficial interests.

3. SOUTH AFRICAN TAXATION

The comments below are intended as a general guide to the relevant tax laws of South Africa as at the Prospectus date. The contents of this section headed "South African Taxation" do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Zambezi Platinum Preference Shares. Prospective subscribers for or purchasers of any Zambezi Platinum Preference Shares should consult their professional advisors in this regard.

3.1 Securities transfer tax

There is no securities transfer tax on the original issue of shares. The transfer of Zambezi Platinum Preference Shares that are registered on the South African Register to any other person will attract securities transfer tax. This is payable by the purchaser at the rate of 0.25% (zero point two five percent) of the greater of the consideration paid for those Zambezi Platinum Preference Shares or their market value. The purchaser of the shares may however be exempt from securities transfer tax in terms of section 8 of the Securities Transfer Tax Act, No. 25 of 2007.

3.2 **Normal tax**

Dividends received by South African tax resident Holders on Zambezi Platinum Preference Shares are exempt from South African normal income tax.

3.3 **Dividend tax**

Dividends tax of 15% (fifteen percent) will be levied on any dividend paid, not declared, and withheld by the company that paid the dividend. Beneficiaries could however be exempt from dividends tax in terms of section 64F of the Tax Act.

3.4 **Capital gains tax**

Capital gains arising on Zambezi Platinum Preference Shares sold by South African tax resident Holders will be subject to taxation. Capital gains tax is payable on the excess of the net proceeds realised on the sale of Zambezi Platinum Preference Shares over the cost of acquiring such shares. Where the net proceeds realised are less than the cost of the Zambezi Platinum Preference Shares sold, a capital loss will be available to reduce other capital gains realised by the taxpayer in the year of assessment in which the sale takes place. Any remaining loss may be carried forward and set off against capital gains in subsequent years of assessment. In the case of individual taxpayers, 33.3% (thirty three point three percent) of the capital gain is liable to income tax at the person's maximum marginal tax rate, which cannot exceed 41% (forty one percent), with the result that capital gains are generally taxed at an effective rate of 13.65% (thirteen point six five percent). Natural persons are entitled to an annual exclusion of R30 000 (thirty thousand Rand) for the tax year commencing on 1 March 2015. This amount is deducted from the net capital gain or loss realised in the year of assessment, prior to the 33.3% (thirty three point three percent) of the capital gain being included in taxable income. In the case of taxpayers other than natural persons, 66.6% (sixty six point six percent) of the capital gain will attract income tax at the taxpayer's applicable tax rate, currently 28% (twenty eight percent) for South African companies, and companies therefore pay income tax on capital gains at the rate of 18.6% (eighteen point six percent).

3.5 **Donations tax**

Where a South African tax resident Zambezi Platinum Preference Shareholder donates or transfers Zambezi Platinum Preference Shares at less than full market value, donations tax at the rate of 20% (twenty percent) will generally be payable. There are a number of donations tax exemptions including an annual exemption from South African donations tax of R100 000 (one hundred thousand Rand) per annum available to local natural persons.

4. SOUTH AFRICAN EXCHANGE CONTROL

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the Prospectus date. The Exchange Control Regulations are subject to change at any time without notice. The contents of this section headed "South African Exchange Control" do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Zambezi Platinum Preference Shares. Prospective subscribers for or purchasers of any Zambezi Platinum Preference Shares should consult their professional advisors in this regard.

Exchange Control Regulations provide for exchange controls which, among other things, restrict the export of capital from the Common Monetary Area.

The purpose of exchange controls is to mitigate the decline of foreign capital reserves in South Africa. It is expected that South African exchange controls will continue to operate for the foreseeable future. The government has, however, committed itself to gradually relaxing exchange controls and significant relaxation has occurred in recent years. It is the stated objective of the South African authorities to achieve equality of treatment between South African residents and non-residents in relation to inflows and outflows of capital. This gradual approach towards the abolition of exchange controls adopted by the government is designed to allow the economy to adjust more smoothly to the removal of controls that have been in place for a considerable period of time.

In terms of the Exchange Control Regulations, no person may transfer any assets (including cash and securities) out of South Africa or make any payment to a non-resident or give any security in favour of a non-resident without the prior approval of the Exchange Control Authorities.

For the purposes of the Exchange Control Regulations, a "*resident*" is any person (including a legal entity) who or which has taken up permanent residence, is domiciled or is registered in the Common Monetary Area. A non-resident is any person (including a legal entity) who or which is not a "*resident*".

Applications for approval under the Exchange Control Regulations are effected through "authorised dealers" which assist the Exchange Control Authorities with the monitoring and enforcement of the Exchange Control Regulations. Authorised dealers include the major South African banks, and the local branches of foreign banks, which are approved by SARB as authorised dealers in foreign currency. Certain approvals can be granted by authorised dealers, subject to compliance by the applicant with the applicable conditions specified in the relevant exchange control circular, directive or ruling.

Non-residents

Any documents of title issued to non-residents will be endorsed "*non-resident*". In the event that LAs and/or Zambezi Platinum Preference Shares are held by a non-resident through the CSD, the securities account maintained for such non-resident by the relevant CSDP must be designated as a "non-resident" account.

It will be incumbent on any such non-resident to instruct its nominated or authorised dealer as to how any funds due to such non-resident in respect of LAs, forms of instruction and/or Zambezi Platinum Preference Shares are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the Zambezi Platinum Preference Shares are acquired with foreign currency introduced into South Africa and provided that the relevant documents of title have been endorsed "*non-resident*" or the relevant securities account has been designated as a "*non-resident*" account, as the case may be.

Emigrants from the Common Monetary Area

Funds which may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into a bank account outside of South Africa ("blocked Rand") may be used for the subscription for Zambezi Platinum Preference Shares and the purchase of LAs. Any amounts payable in respect of LAs, forms of instruction and/or payable by Northam in respect of Zambezi Platinum Preference Shares subscribed for or purchased with blocked Rand may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-South African bank account.

All applications by emigrants from the Common Monetary Area using blocked Rand for the above purposes must be made through the authorised dealer controlling such emigrant's blocked assets.

Any documents of title issued to emigrants from the Common Monetary Area will be endorsed "*emigrant*". Such restrictively endorsed documents of title must be deposited with the authorised dealer controlling such emigrant's blocked assets. In the event that LAs and/or Zambezi Platinum Preference Shares are held by an emigrant from the Common Monetary Area through the CSD, the securities account maintained for such emigrant by the relevant CSDP will be designated as an "*emigrant*" account.

The proceeds due to an emigrant from the Common Monetary Area from the sale of LAs, if applicable, will be deposited into such emigrant's blocked Rand account maintained by the authorised dealer. Any amounts payable by Northam to an emigrant from the Common Monetary Area in respect of Zambezi Platinum Preference Shares will be deposited into such emigrant's blocked Rand account maintained by the relevant authorised dealer. Such proceeds and amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

5. OTHER REQUIRED DISCLOSURES

5.1 Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Company under the laws of South Africa as at the date of this Prospectus have been given for the establishment and issue of the Zambezi Platinum Preference Shares and for the Company to undertake and perform its obligations under the Zambezi Platinum Preference Shares. As at the date of this Prospectus, no approval from the financial surveillance department of the South African Reserve Bank is required for the issue of the Zambezi Platinum Preference Shares or this Prospectus.

5.2 Documents available

So long as the Zambezi Platinum Preference Shares remain outstanding, copies of the documents referred to in paragraph 5.7 below headed "*Documents Incorporated by Reference*" will be available for inspection during normal office hours at the registered office of the Company as set out in the section of this Prospectus headed "*Corporate Information and Advisors*". A copy of this Prospectus is also available on Northam's website at http://www.northam.co.za and the JSE's website at http://www.jse.co.za.

5.3 Material change

The Company has not traded at all since the date of its incorporation and registration on 2 June 2014 and no transactions have occurred from the date of incorporation to the date of this Prospectus and therefore there were no material changes in the financial or trading position of the Company. This statement has not been verified or confirmed by the Auditors of the Company.

5.4 Litigation

The Company (whether as defendant or otherwise) is not engaged in any legal, arbitration, administration or other proceedings the results of which might have or have had a significant effect on the financial position or the operations of the Company, nor is it aware of any such proceedings being threatened or pending.

5.5 Auditors

Ernst & Young Inc. are the current Auditors of the Company.

5.6 Governing law

The Zambezi Platinum Preference Shares are governed by, and will be construed in accordance with, the laws of South Africa.

5.7 Documents incorporated by reference

In terms of regulation 53 of the Companies Regulations, the originals or certified copies of the following documents will be available for inspection at the registered office of the Company and Northam from the date of this Prospectus until the 10th (tenth) Business Day following the Implementation Date:

(a) the Zambezi Platinum MOI;

(b) the Commitment Agreements;

(c) the Transaction Agreements;

(d) the Agency Agreement;

(e) the relevant original power of attorney and Board resolution authorising the signatories to this Prospectus to sign this Prospectus;

(f) the consents by the proposed directors listed in section 1, paragraph 2.2, to act as directors of Zambezi Platinum;

(g) in accordance with Section 100(6) and 100(7) of the Companies Act, copies of the Commitment Agreements, as filed with CIPC, and the relevant declarations required to be filed in terms of the Companies Act; and

(h) the written consent of each of the persons referred to in section 1, paragraphs 2.3 and 2.4.

The documents listed below, as may be amended from time to time, are deemed to be incorporated into, and to form part of, this Prospectus and will be available for inspection, without charge, during normal office hours at the registered office of the Company and Northam:

(a) the interim financial statements and audited annual financial statements of the Guarantor, Northam, for the preceding 3 (three) years;

(b) the audited annual financial statements for the years ending 30 June of the Company, together with such statements, reports and notes attached to or intended to be read with such financial statements, for the financial years ended after the date of this Prospectus;

(c) the Northam Guarantee, as amended from time to time;

(d) any supplement or amendment to this Prospectus;

(e) the Zambezi Platinum MOI, as amended from time to time; and

(f) all information pertaining to the Company which is relevant to the Zambezi Platinum Preference Shares and which is electronically disseminated on SENS.

Any statement contained in this Prospectus or in any document which is incorporated by reference into this Prospectus will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in any subsequent document which is deemed to be incorporated by reference into this Prospectus modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

This Prospectus and any amendments or supplements thereto will be made available on the website of the JSE (www.jse.co.za). This Prospectus, any amendments or supplements thereto and the financial statements of the Company will be available for inspection at the registered office of the Company and Northam and on the Guarantor's website (www.northam.co.za).

SECTION 5: INAPPLICABLE OR IMMATERIAL MATTERS

The following paragraphs of the Companies Regulations dealing with the requirements for a Prospectus are not applicable to this Prospectus:

Regulation 57(2)
Regulation 59(3)(b)
Regulation 59(3)(d)
Regulation 59(3)(e)
Regulation 59(3)(f)
Regulation 59(3)(g)
Regulation 59(4)
Regulation 60(a)(iii)
Regulation 60(c)
Regulation 63(a)
Regulation 65
Regulation 67
Regulation 72(3)
Regulation 74(2)(b)
Regulation 75
Regulation 78
Regulation 79 (except for Regulation 79(1)(b)

SIGNATURE

Signed at Dunkeld West on 31 March 2015 for and on behalf of the Directors, the signatories being duly authorised in terms of a Board resolution and power of attorney.

PA Dunne
Director of Zambezi Platinum (RF) Limited

LC van Schalkwyk
Director of Zambezi Platinum (RF) Limited

ZAMBEZI PLATINUM PREFERENCE SHARE TERMS

This annexure 1 sets out relevant extracts from the Zambezi Platinum MOI and the Preference Share Terms.

In this annexure 1, unless inconsistent with or otherwise indicated by the context, the words and expressions in the first column have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa*, words denoting one gender include the other and expressions denoting natural persons include juristic persons and associations of persons and *vice versa*:

"Accumulated Dividends	*in respect of each Preference Share and on any day, the aggregate of:* • *any Scheduled Dividend for any Calculation Period which ended prior to that day, to the extent to which that Scheduled Dividend has not been paid; plus* • *any Additional Dividends which have become payable but which have not been paid;*
Act	*the Companies Act, No. 71 of 2008;*
Actual Redemption Date	*in relation to any Preference Share and provided that the Company has paid all the Preference Dividends in respect of that Preference Share, the date on which the Company redeems that Preference Share either by paying its Redemption Price to its Holder or by distributing Northam Shares in specie to the Holder;*
Additional Dividend	*in respect of each Preference Share, the dividends (over and above the Scheduled Dividend in respect of that Preference Share) envisaged in clauses 2.5 and 2.9;*
Administration Services Agreement	*the written agreement headed "Administration Services Agreement" entered into or to be entered into between the Company and Northam in terms of which the parties inter alia agree that (i) Northam shall attend to the day-to-day management of the Company's business and the administration of the Company's affairs, and (ii) Northam shall pay all the costs and expenses, including any fees that become payable to the Agent in terms of the Agency Agreement, incurred in the administration of the Company's affairs, to a maximum amount from time to time determined in accordance with that agreement;*
Agency Agreement	*the written agreement headed "Agency Agreement" entered into or to be entered into between the Company, Northam and an Agent in terms of which (i) the Company appoints the Agent to perform all the functions assigned to the Agent by these Preference Share Terms in return for the payment of agreed fees, (ii) Northam, as a principal and primary obligation, undertakes to pay those fees to the Agent, (iii) the aforesaid undertaking constitutes a stipulation for the benefit of all the Holders and Beneficiaries, and (iv) each such Holder and Beneficiary is entitled to accept the benefit of that stipulation in the manner envisaged in the agreement;*
Agent	*the person appointed by the Company in terms of the Agency Agreement from time to time;*

Associates	*shall bear the meaning ascribed thereto in the International Accounting Standard 28 (IAS28) as at the date of adoption of the MOI;*
Authority	*any court or any governmental, intergovernmental or supranational body, agency, department or any regulatory, self-regulatory or other authority;*
BBBEE Act	*the Broad-Based Black Economic Empowerment Act, No. 53 of 2003;*
BEE	*black economic empowerment as contemplated in the BEE Laws;*
BEE Codes	*the Codes of Good Practice on BBBEE contemplated in section 9 of the BBBEE Act, as gazetted from time to time;*
BEE Laws	*the BBBEE Act, the BEE Codes, the MPRDA, the Mining Charter and the Mining Codes to the extent that such laws are applicable or may become applicable to the Northam Group and/or its business activities from time to time and any other similar laws which may be applicable to the Northam Group and/or its business activities from time to time;*
BEE Shares	*collectively, the Subscription Shares and the Sale Shares including, in the event of a sub-division or consolidation of the Subscription Shares or the Sale Shares, all such sub-divided or consolidated shares and any additional Northam Shares held by the Company from time to time;*
Beneficiary	*in relation to each Preference Share, the holder of that Preference Share as reflected in the records of the applicable Programme Participant, provided that for purposes of clauses 2.14 and 9.11, "**Beneficiary**" shall include a person who was, as at the Actual Redemption Date, holder of that Preference Share as reflected in the records of the applicable Programme Participant;*
Black Persons	*natural persons who are both (i) "**Black People**" as defined in the BBBEE Act as read together with the BEE Codes and (ii) HDSAs;*
Board	*means the board of directors from time to time of the Company or if there is only one director, then that director;*
Business Day	*any day other than a Saturday, Sunday or officially recognised public holiday on which banks are generally open for business in the Republic of South Africa;*
Calculation Date	*31 December of each year;*
Calculation Period	*each period which commences on the day after a Calculation Date and which ends on the next Calculation Date provided that:* • *the first Calculation Period in respect of each Preference Share shall commence on the Issue Date and end on the first Calculation Date that occurs immediately thereafter; and* • *the last Calculation Period in respect of each Preference Share shall end on (i) the Actual Redemption Date of that Preference Share, or (ii) if the Company is liquidated prior to the redemption of that Preference Share, the date on which the Company pays the Return of Capital envisaged in clause 10.1 to the applicable Holder;*
Capitalisation Share	*any share that is issued by way of a capitalisation of a company's profits or reserves;*

Cash Dividend	*any Distribution which is paid by Northam in respect of the BEE Shares in cash, other than a Special Dividend, a Return of Capital or a Repurchase Price;*
Change Event	*a Normal Tax Event, the Initial Dividends Tax Event or a Subsequent Dividends Tax Event;*
Change of Control	*in relation to Northam, that any person, or that two or more persons acting in concert (as defined in the Act):* • *has (or have, as the case may be) acquired Control of Northam; or* • *makes (or make, as the case may be) an offer to the shareholders of Northam, whether directly or through a scheme of arrangement, which, if accepted or approved by Northam Shareholders, will result in it/them acquiring Control of Northam;*
Company	*Zambezi Platinum Limited (RF), registration number 2014/106927/06, a limited liability public company duly incorporated in the Republic;*
Company Business	*the business of the Company which shall be limited to the activities listed in clause 5 of the MOI;*
Company Trigger Events	*means the Trigger Events envisaged in sub-clauses 7.1.1 to 7.1.14;*
Control	*in relation to a company, "control" as defined in section 2 of the Act;*
Corporate Tax Rate	*the rate at which Normal Tax is levied on the taxable income of companies generally (excluding gold mining companies, long-term insurance companies, personal services providers, public benefit organisations and small business corporations), (which is 28% (twenty eighty percent) as at the Tax Reference Date;*
CPI	*the average annual rate of change (expressed as a percentage) in the Consumer Price Index, for all metropolitan areas as published in the Government Gazette by Statistics South Africa, or such other index reflecting the official rate of inflation in South Africa as may replace it, which annual change shall be determined by comparing the most recently published index with the index published in respect of the corresponding month in the previous year;*
Decision	*any decision that the Holders are required to make in connection with the Preference Shares;*
Decision Matrix	*the table contained in clause 9.5;*
Discharge Date	*the Actual Redemption Date on which the Company redeems the last of the outstanding Preference Shares;*
Disposal	*sale, lease, license, transfer, loan or other disposal by any person of any asset, undertaking or business (whether by a voluntary or involuntary transaction or series of transactions), and "Dispose" shall be construed accordingly;*
Distribution	*any "distribution" as defined in the Act and includes, in relation to:* • *the Company (i) the Preference Dividends and any dividends paid by the Company in respect of the Ordinary Shares and the N Shares, (ii) the Redemption Prices paid by the Company in respect of the Preference Shares, and (iii) the repurchase of any share of any class; and*

- *Northam, any Cash Dividend, Special Dividend or Return of Capital paid by Northam in respect of the BEE Shares and any Repurchase Price paid by Northam in respect of the Repurchase of all or any BEE Shares;*

Distribution Accrual Date	*in relation to any Cash Dividend, Special Dividend, Return of Capital or Repurchase Price, the date on which that Cash Dividend, Special Dividend, Return of Capital or Repurchase Price becomes payable by Northam;*
Distribution Receipts Account	*a bank account which Northam must open and operate on behalf of the Company in accordance with clause 3.9, for the various purposes set out in these Preference Share Terms;*
Dividend Rate	*subject to adjustment in terms of the Rate Adjustment Provisions, a nominal rate equal to the aggregate of the Prime Rate and 3.5% (three point five percent);*
Dividends Exemption Provisions	*section 10(i)(k) of the Tax Act as at the Tax Reference Date;*
Dividends Tax	*the withholding Tax on dividends, imposed (as at the Tax Reference Date) under Part VIII of Chapter II of the Tax Act or any Tax, imposed on the payment or receipt of dividends, that replaces the aforesaid withholding Tax from time to time;*
Encumbrance	*a mortgage bond, notarial bond, cession in security, charge, pledge, hypothec, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect and "Encumber" shall bear a corresponding meaning;*
Exchange Information Service	*the JSE's service known as the "Securities Exchange News Service" or any service that replaces the aforesaid service from time to time;*
Final Judgement	*any judgment by any court of competent jurisdiction if that judgment (i) is not subject to appeal, or (ii) is subject to appeal but the period for the institution of such an appeal has passed and no appeal has been instituted;*
Financial Indebtedness	*any indebtedness for or in respect of:*

- *moneys borrowed;*
- *any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;*
- *any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock, preference shares, or any similar instrument;*
- *the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS (International Financial Reporting Standards), be treated as a finance or capital lease;*
- *receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);*
- *any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;*

- *any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);*
- *any amount raised by, and all amounts accrued and/or payable on account of, the issue of shares which are redeemable;*
- *the amount of any liability in respect of any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and*
- *the amount of any liability in respect of any guarantee or indemnity for any;*

Financial Markets Act	*the Financial Markets Act, No. 19 of 2012;*
Guarantee	*means a written agreement headed "Guarantee" entered into or to be entered into between Northam, the Company and the Agent which provides, inter alia, that (i) Northam irrevocably and unconditionally guarantees the payment of all amounts (whether in respect of the Preference Dividends or the Redemption Price) which the Company has contracted to pay (but failed to pay on the due date therefor) in respect of the Preference Shares (in terms of these Preference Share Terms); (ii) the aforesaid undertaking constitutes a stipulation for the benefit of all the Holders and Beneficiaries of the relevant Preference Shares; (iii) each such Holder and Beneficiary shall accept the benefit of that stipulation and agree to be bound by the provisions of the agreement in the manner specified in the agreement, and (iv) Northam shall, at its election, be entitled to settle claims made against it under the Guarantee by means of the issue of a determinable number of Northam Shares and/or the payment of cash to each applicable Holder and Beneficiary;*
HDSA	*a "historically disadvantaged person" as defined in the MPRDA;*
HDSA Company	*a company in respect of which:*

- *Black Persons are able to exercise, without restriction, at least 75% (seventy five percent) of the total voting rights attaching to the securities in that company, measured using the flow through principle (as defined in the BEE Codes); and*
- *Black Persons have a right to a claim against that company representing return on ownership of the company (similar to a dividend right) that is at least 75% (seventy five percent) of the total of such rights, measured using the flow though principle (as defined in the BEE Codes); and*
- *Black Persons have the right and ability to direct and determine the appointment, election and removal of at least 75% (seventy five percent) of the total number of directors of that company; and*
- *at least 75% (seventy five percent) of the directors of that company are Black Persons and are able to exercise, without restriction, at least 75% (seventy five percent) of the total voting rights exercisable by all the directors of the company,*

save as a result of Northam holding an Ordinary Share and having elected the directors of the Company as at the Issue Date or holding the N Share;

Holder	*in relation to a Preference Share, its registered holder as reflected in the Company's share register, provided that for purposes of clauses 2.14 and 9.11, "Holder" shall include a person who was, as at the Actual Redemption Date, the registered holder of the relevant Preference Shares as reflected in the Company's share register;*
Holder Cure Notice	*a Holder Cure Notice as defined in clause 7.5.2;*
Holder Meeting	*a meeting of the Holders (convened for the purposes of the making of a Decision in accordance with the provisions of clause 9);*
Holder Redemption Notice	*a Holder Redemption Notice as defined clause 7.5.3;*
Initial Dividends Tax Event	*that:* • *the Company's STC Credit is deemed to be nil in terms of section 64J(5) of the Tax Act (or any legislation that replaces that section after the Tax Reference Date); and* • *the Tax Act is amended in such a manner as has the effect that Resident Companies will cease to be exempt from the Dividends Tax, whether in whole or in part;*
Insolvency Event	*in relation to any person, any of the following events or circumstances:* • *it is dissolved or de-registered;* • *an order or declaration is made, or a resolution is passed, for the administration, custodianship, bankruptcy, liquidation, winding-up, receivership, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or an order or declaration is made, or a resolution is passed, to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;* • *it convenes any meeting to consider the passing of a resolution for the administration, custodianship, bankruptcy, liquidation, winding-up, receivership, trusteeship, de-registration or dissolution (and, in each case, whether provisional or final) of it, its assets or its estate or to authorise the commencement of any business rescue proceeding in respect of it, its assets or its estate;* • *it seeks the appointment of an administrator, liquidator (whether provisional or final), business rescue practitioner, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets or estate;* • *it has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;* • *it is unable (or admits inability) to pay its debts generally as they fall due or is (or admits to being) otherwise insolvent or stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness or proposes or seeks to make or makes a general assignment or any arrangement or composition with or for the benefit of its creditors generally or a moratorium is agreed or declared in respect of or affecting all or a material part of its indebtedness;*

- *it takes any proceeding or other step with a view to the general readjustment, rescheduling or deferral of its indebtedness (or any part thereof which it would otherwise be unable to pay when due) or proposes to take any such step;*
- *any receiver, administrative receiver, judicial receiver, administrator, compulsory manager, judicial custodian, trustee in bankruptcy, liquidator, business rescue practitioner or the like is appointed in respect of it, its estate or any material part of its assets or it requests any such appointment;*
- *it commits any act which, if such act was committed by a natural person, would be an act of insolvency within the meaning of section 8 of the Insolvency Act, No. 24 of 1936 or any equivalent legislation in any jurisdiction to which such person is subject;*
- *it is or is deemed by any authority or legislation to be Financially Distressed (as defined in the Act);*
- *it causes or is subject to any event with respect to which, under the applicable laws of any jurisdiction, has an analogous effect to any of the foregoing events; or*
- *it takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts;*

Issue Date *the date on which the Company issues the Preference Shares to the first Holders;*

Issue Price *in relation to a Preference Share, the issue price paid to the Company for that Preference Share by its first Holder;*

JSE *means the JSE Limited, a public company duly incorporated in accordance with the laws of South Africa with registration number 2005/022939/06, and licensed as an exchange in terms of the Financial Markets Act, or the exchange operated by the aforesaid entity, as the context may require;*

Lock In Fee *an amount of R400,000,000 (four hundred million Rand) which (as envisaged in the Subscription Agreement) Northam will pay to the Company in return for an undertaking (by the Company) not (i) to Dispose of the BEE Shares for a period of 10 (ten) years commencing on the Issue Date, and (ii) for the aforesaid period of 10 (ten) years, to have any interest, whether financial or otherwise and whether directly or indirectly, in any entity of any nature whatsoever that competes with Northam or the Northam Group;*

Material Adverse Event *in relation to a party, any event, circumstance or matter or combination of events, circumstances or matters which in the opinion of the Holders has or is reasonably likely to have a material adverse effect on:*

- *the ability of that party to perform its respective obligations under these Preference Share Terms, the Northam Pledge and Cession and/or the Guarantee;*
- *the validity or enforceability of these Preference Share Terms, the Northam Pledge and Cession and/or the Guarantee or the rights or remedies of any Holder under any of the aforementioned agreements;*

Material Dividend Rate Event	*if, as a result of a change in the Prime Rate or the occurrence of one or more Change Events, the Dividend Rate is equal to or more than 20% (twenty percent) for a continuous period of 6 (six) months or more, provided that in the case of a Change Event that results in a retrospective adjustment to the Dividend Rate, the 6 (six) month period shall be calculated from the date of the retrospective adjustment;*
Material Dividend Rate Trigger Event	*the Trigger Event envisaged in clause 7.1.13;*
MOI	*the memorandum of incorporation of the Company, as at the last practicable date;*
MPRDA	*the Mineral and Petroleum Resources Development Act, No. 28 of 2002;*
N Redemption Notice	*a N Redemption Notice as defined clause 7.2.2;*
N Share	*the N share in the Company's share capital which confers, on its holder, the rights, obligations and privileges set out in the N Share Terms;*
N Shareholder	*the registered holders of N Shares;*
N Share Terms	*the preferences, rights, limitations and other terms associated with the N Share, as set out in annexure "2" of the MOI;*
Normal Tax	*the Tax levied, in terms of section 5 of the Tax Act, on "taxable income" as defined in the Tax Act or any Tax on income or capital gains which replaces the aforesaid Tax from time to time;*
Normal Tax Event	*in relation to any Preference Dividend, that such dividend becomes subject to the Normal Tax for any reason whatsoever including, but without limitation:* • *as a result of any amendment to the Tax Act which takes effect after the Tax Reference Date; or* • *if the Preference Share to which that Preference Dividend relates is or becomes a "hybrid equity instrument" as defined in section 8E of the Tax Act or is or becomes a "third party backed share" as defined in section 8EA of the Tax Act,* *except if the applicable Preference Dividend becomes subject to the Normal Tax as a result of (i) any Taxing Exceptions, or (ii) any actions or omissions of the applicable Holder or Beneficiary which have the result that the Dividends Exemption Provisions do not apply to that Preference Dividend;*
Northam	*Northam Platinum Limited, registration number 1977/003282/06, a limited liability public company duly incorporated in the Republic;*
Northam Clawback	*if Northam:* • *makes any payments under the Guarantee (either in cash and/or by issuing Northam Shares to the applicable Holders); or* • *subscribes for an Ordinary Share (in cash and/or through the issue of Northam Shares to the Company) to capitalise the Company in order to enable the Company to comply with its obligation to redeem the Preference Shares and pay the outstanding Preference Dividends to the Holders or, after the Actual Redemption Date, to make payment of any additional Preference Dividends as envisaged in clause 2.14 ("**Subscription**"),*

	Northam's right (conferred on it under the Northam Pledge and Cession) to claim payment from the Company of the amounts thus paid by it under the Guarantee or pursuant to the Subscription and/or, as the case may be, to claim payment of the agreed value of any Northam Shares issued by it to the Holders in order to settle its obligations under the Guarantee or the Subscription;
Northam Group	*Northam, its Subsidiaries and Associates from time to time;*
Northam Pledge and Cession	*a written agreement headed "Pledge and Cession" entered into or to be entered into between the Company and Northam, in terms of which the Company pledges and cedes (i) the BEE Shares, and (ii) its right, title and interest in and to the Distribution Receipts Account, to Northam as security for the Company's obligations under the Northam Clawback;*
Northam Shareholders	*means the registered holders of Northam Shares;*
Northam Shares	*ordinary shares of no par value in the share capital of Northam;*
Northam Trigger Events	*the Trigger Events envisaged in sub-clauses 7.1.14 to 7.1.26;*
Ordinary Shares	*an ordinary share in the authorised ordinary share capital of the Company, having the rights and limitations set out in clause 6.1.1 of the MOI;*
Participant	*a participant of the central securities depository, as defined in the Financial Markets Act;*
Preference Dividends	*in respect of each Preference Share, the applicable Scheduled Dividends and Additional Dividends;*
Preference Share	*a cumulative, non-participating no par value preference share in the Company's share capital which confers, on its Holder, the rights, obligations and privileges set out in these Preference Share Terms;*
Preference Share Terms	*means the rights and privileges of the Preference Shares as set out in this annexure "1";*
Prime Rate	*the percentage publicly quoted as the basic rate of interest levied by Nedbank Limited from time to time on overdraft, calculated on a 365 (three hundred and sixty five) day year, irrespective of whether the applicable year is a leap year, and proved, prima facie, in the event of a dispute and in the absence of manifest error, by a certificate under the hand of any director or manager of Nedbank Limited, whose appointment and authority need not be proved or, if such rate becomes defunct or no longer a proxy for a cash yield, such other alternative rate as may be determined by the Agent in a commercially reasonable manner;*
Programme Participant	*each Participant who holds any Preference Shares in custody for the Beneficiary thereof;*
Rate Adjustment Provisions	*clauses 2.6, 2.7, 2.10 and 2.12;*
Redemption Price	*in relation to each Preference Share, an amount equal to its Issue Price;*

Refinance	*any Financial Indebtedness which the Company incurs for the specific purpose of redeeming the Preference Shares, provided that the proceeds of such Financial Indebtedness shall be paid into the Distribution Receipts Account;*
Repurchase	*any repurchase of BEE Shares by Northam, irrespective of whether the amount payable by Northam pursuant to such repurchase amounts to a reduction of Northam's share capital;*
Repurchase Price	*if Northam Repurchases any of the BEE Shares, the price that becomes payable by Northam to the Company in respect of such Repurchase;*
Required Majority	*in relation to any Decision, such a percentage of the votes cast by the Holders in favour of that Decision (at the Holder Meeting convened to consider that Decision) as is indicated in respect of that Decision in the Decision Matrix;*
Return of Capital	*any Distribution paid by Northam in respect of the BEE Shares to the extent to which such Distribution represents a reduction of Northam's share capital attributable to the Northam Shares;*
Resident Company	*any company (as defined in the Tax Act) which is a resident (as defined in the Tax Act);*
RLA	*in relation to a rights offer (as defined in section 95 of the Act) a renounceable letter of allotment (which entitles the holder thereof to subscribe for a specific number of shares in the applicable company's share capital at a specific price);*
Sale Shares	*47,710,331 (forty seven million seven hundred and ten thousand three hundred and thirty one) Northam Shares;*
Sale Price	*an amount of R41.00 (forty one Rand) per Sale Share;*
SARS	*the South African Revenue Service;*
Scheduled Dividend	*in respect of each Preference Share and for each Calculation Period, the Preference Dividend calculated in accordance with the formula contained in clause 2.4;*
Scheduled Redemption Date	*in respect of each Preference Share, the day before the 10th (tenth) anniversary of the Issue Date;*
Scrip Dividend	*any Distribution made by Northam in respect of the BEE Shares if that Distribution is settled by means of an issue of Northam Shares;*
Special Dividend	*any dividend paid by Northam in respect of the BEE Shares if Northam designates such dividend as a special dividend;*
STC Credit	*an "STC credit" as defined (as at the Tax Reference Date) in section 64J of the Tax Act;*
STT	*the securities transfer tax imposed under the Securities Transfer Tax Act, No. 25 of 2007;*

Subscription Agreement	*the written agreement headed "Subscription and Relationship Agreement" entered into between the Company and Northam in terms of which, inter alia, the Company has agreed to subscribe for 112,195,122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) Northam Shares and the relationship between the Company and Northam will be governed;*
Subscription Price	*an amount of R41.00 (forty one Rand) per Subscription Share;*
Subscription Shares	*112,195,122 (one hundred and twelve million one hundred and ninety five thousand one hundred and twenty two) Northam Shares;*
Subsequent Dividends Tax Event	*if the Initial Dividends Tax Event has occurred, that the rate at which the Dividends Tax is levied is increased or decreased;*
Subsidiary	*shall bear the meaning ascribed to "subsidiary" in the Act;*
Tax	*any tax, levy, impose, duty or other charge or withholding of any similar nature including (i) the Normal Tax, the Dividends Tax and STT, and (ii) any interest or penalties payable in connection with any failure to pay or any delay in paying any Tax;*
Taxing Exceptions	*the provisions of paragraphs (aa) to (ii) of the proviso to section 10(i)(k) of the Tax Act as at the Tax Reference Date;*
Tax Act	*the Income Tax Act, No. 58 of 1962, as amended from time to time;*
Tax Admin Act	*the Tax Administration Act, No. 28 of 2011;*
Tax Reference Date	*1 October 2014, provided that for purposes of clause 5, the "**Tax Reference Date**" shall mean the last practicable date prior to the posting of the Prospectus (as defined in the Subscription Agreement);*
Tax Warranties	*the warranties contained in clause 5.3;*
30 Day VWAP	*as at any day, the volume weighted average traded price at which the Northam Shares traded on the JSE for the 30 (thirty) Trading Days immediately prior to that day, as published by INET BFA or, if INET BFA should cease to publish such information, then such information published by any equivalent reputable agency nominated by the Agent, provided that in the determination of that volume weighted average trade price, transactions that are not concluded through the trading systems of the JSE, but which are nevertheless settled through the JSE's settlement systems, shall be disregarded;*
Trading Days	*any day on which trading takes place on the JSE;*
Treasury Transaction	*any currency or interest purchase, cap or collar agreement, forward rate agreements, interest rates or currency future or option contracts, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined interest rate and currency swap agreement and any other similar agreement in each case entered into in connection with protection against or benefit from fluctuation in any rate or price; and*
Trigger Event	*means the occurrence of any facts or circumstances envisaged in clause 7.1.*

2. ***DIVIDENDS***

Entitlement

2.1 *Each Preference Share shall entitle the Holder thereof to the Preference Dividends calculated in accordance with this clause 2.*

2.2 *Subject to clause 2.3, the Preference Dividends shall rank prior to the dividend rights of any other class of shares in the Company's share capital (including the Ordinary Shares and the N Share).*

2.3 *Despite the provisions of clause 2.2, the Company shall be entitled to Distribute, as a dividend in respect of the Ordinary Shares, an amount equal to the Lock In Fee minus the Agent's reasonable estimate of the Taxes that will become payable by the Company in respect of the Lock In Fee.*

Scheduled Dividend

2.4 *For each Calculation Period each Preference Share shall be entitled to a Scheduled Dividend in an amount equal to the aggregate of the amounts calculated in respect of each day during that Calculation Period in accordance with the following formula:*

a = (b + c + d – e) x f

in which formula

a = the amount for the applicable day;

b = the Issue Price of the applicable Preference Share;

c = the Accumulated Dividends in respect of that Preference Share at 17h00, Johannesburg time, on the 1st (first) day of that Calculation Period;

*d = any Additional Dividends that have become payable by the Company in respect of that Preference Share during the period (the "**Subject Period**") which (i) commences on the first day of the applicable Calculation Period, and (ii) ends on the day before the day in respect of which the Scheduled Dividend is calculated;*

e = any Preference Dividends that have been paid by the Company in respect of the applicable Preference Share during the Subject Period; and

f = the Dividend Rate on the day for which the Scheduled Dividend is calculated, divided by 365.

Normal Tax Events

2.5 *If a Normal Tax Event occurs in relation to any Scheduled Dividend which has already been paid, the Company shall pay, to the Holder of the applicable Preference Share, an Additional Dividend calculated in accordance with the following formula:*

a = [b ÷ (1 – c)] – b

in which formula

a = the applicable Additional Dividend (in respect of each applicable Preference Share);

b = the amount of the applicable Scheduled Dividend (in respect of one Preference Share) which has become subject to the Normal Tax; and

c = the Corporate Tax Rate on the day on which the Normal Tax Event occurs.

2.6 *If a Normal Tax Event occurs and, as a result of such occurrence, any Scheduled Dividends or Accumulated Dividends which has not yet been paid will become subject to the Normal Tax, the Dividend Rate shall be increased to the percentage calculated in accordance with the following formula:*

a = b ÷ (1 – c)

in which formula

a = the increased Dividend Rate;

b = the Dividend Rate prior to its adjustment in accordance with this clause 2.6; and

c = the Corporate Tax Rate on the date on which the applicable Normal Tax Event occurs.

2.7 *If (i) the Dividend Rate is increased in accordance with clause 2.6, and (ii) after such increase the Corporate Tax Rate increases or decreases, the Dividend Rate shall be recalculated in accordance with the formula contained in clause 2.6 on the basis that:*

2.7.1 *the value of "b" in that formula shall be the Dividend Rate immediately prior to the applicable increase or decrease in the Corporate Tax Rate calculated without accounting for the adjustment to the Dividend Rate in accordance with clause 2.6; and*

2.7.2 *the value of "c" in that formula shall be the increased or decreased Corporate Tax Rate.*

2.8 *For the purposes of clauses 2.4 to 2.6, a Normal Tax Event shall occur, if that event comes about as a result of:*

2.8.1 *any amendment to the Tax Act, on the date on which that amendment becomes effective; or*

2.8.2 *if SARS contends (in dealing with any Holder or any Beneficiary) that the Preference Dividends paid by the Company to or for the benefit of that Holder or Beneficiary are subject to the Normal Tax as a result of the application of the Tax Act as at the Tax Reference Date, but other than as a result of (i) any actions or omissions of the applicable Holder or Beneficiary that have the effect that the Dividends Exemption Provisions do not apply to the applicable Preference Dividends, or (ii) the fact that any of the Taxing Exceptions applies in respect of that Preference Dividend:*

2.8.2.1 *on the date on which the Company has obtained an opinion from a practicing senior advocate who specialises in Tax matters to the effect that the Preference Dividends are in fact subject to the Normal Tax; or*

2.8.2.2 *on the date on which the Beneficiary has litigated SARS' contentions in a court of competent jurisdiction and SARS has obtained a Final Judgment which rules that its contentions are correct.*

The Initial Dividends Tax Event

2.9 *If the Initial Dividends Tax Event occurs in relation to any Scheduled Dividend which the Company has already paid, the Company shall pay an Additional Dividend in respect of each Preference Share calculated in accordance with the following formula:*

$a = [b \div (1 - c)] - b$

in which formula

a = *the Additional Dividend per Preference Share;*

b = *the amount of the applicable Scheduled Dividend (in respect of one Preference Share) which has become subject to the Dividends Tax in the hands of Resident Companies; and*

c = *the rate at which the applicable Scheduled Dividend has become subject to the Dividends Tax.*

2.10 *If the Initial Dividends Tax Event occurs and, as a result of any such occurrence, any Scheduled Dividends which have not yet been paid will become subject to the Dividends Tax in the hands of a Resident Company, the Dividend Rate shall be increased to the rate determined in accordance with the following formula:*

$a = b \div (1 - c)$

in which formula

a = *the increased Dividend Rate;*

b = *the Dividend Rate prior to its adjustment in accordance with this clause 2.10; and*

c = *the rate at which the applicable Scheduled Dividends will become subject to the Dividends Tax in the hands of Resident Companies.*

2.11 *The Initial Dividends Tax Event shall occur on the date on which the applicable amendment to the Tax Act (which has the effect of subjecting dividends that accrue to Resident Companies to the withholding tax) takes effect.*

Subsequent Dividends Tax Event

2.12 *If the Subsequent Dividends Tax Event occurs the Dividend Rate shall be adjusted to the percentage calculated in accordance with the following formula:*

a = (b x (1 – d)) ÷ (1 – c)

in which formula

a = *the Dividend Rate after its adjustment;*

b = *the Dividend Rate prior to its adjustment;*

c = *the rate at which the Dividends Tax is levied on Resident Companies after the occurrence of the applicable Subsequent Dividend Tax Event; and*

d = *the rate at which the Dividends Tax is levied on Resident Companies prior to the occurrence of the applicable Subsequent Dividends Tax Event.*

Discharge Date

2.13 *Subject to clause 2.14 no Holder shall have the right, in relation to any specific Preference Share, to claim payment as a result of the occurrence of a Change Event if (i) that Change Event occurs after the Actual Redemption Date on which the applicable Preference Share is redeemed, or (ii) the fact that the applicable Change Event has occurred becomes apparent only after that Actual Redemption Date.*

2.14 *The provisions of clause 2.13 do not apply in respect of any Holder or Beneficiary who has, prior to or after the Actual Redemption Date of the Preference Shares held by him (i) been assessed by SARS in respect of any Preference Dividends on the basis that those Preference Dividends are subject to the Normal Tax as a result of the application of the provisions of the Tax Act as at the Tax Reference Date (other than as a result of a contention by SARS to the effect that the Dividends Exemption Provisions do not apply to the applicable Holder or Beneficiary as a result of anything done or omitted to be done by that Holder or Beneficiary or as a result of the fact that any of the Taxing Exceptions applies to that Holder or Beneficiary), and (ii) instituted proceedings in a court of competent jurisdiction against SARS in which the Holder or Beneficiary contends that the assessment levied by SARS is incorrect (and that the applicable Preference Dividends are not subject to the Normal Tax), provided that SARS obtains a Final Judgement against that Holder or Beneficiary by the date 2 (two) years after the applicable Actual Redemption Date.*

3. *PAYMENT OF DIVIDENDS*

Cash Dividends

3.1 *If Northam declares a Cash Dividend, the Agent shall, prior to the applicable Distribution Accrual Date, determine:*

3.1.1 *a reasonable provision for the Taxes (if any) that will become payable by the Company in respect of that Cash Dividend;*

3.1.2 *the amount that will remain of the Cash Dividend after that provision for Taxes has been deducted (the "**Available Cash Dividend**");*

3.1.3 *the Accumulated Dividends (in respect of all the Preference Shares) on the applicable Distribution Accrual Date; and*

3.1.4 *the excess, if any (the "**Excess Cash Dividend**") of (i) an amount equal to 90% (ninety percent) of the Available Cash Dividend, over (ii) the Accumulated Dividends (in respect of all the Preference Shares) on the applicable Distribution Accrual Date.*

3.2 *The Company shall procure that, on each Distribution Accrual Date, Northam pays the applicable Cash Dividend by making the following payments on behalf of the Company:*

3.2.1 *to the Holders and as Preference Dividends an amount equal to the lesser of (i) 90% (ninety percent) of the Available Cash Dividend, and (ii) the Accumulated Dividends (in respect of all the outstanding Preference Shares) on that Distribution Accrual Date;*

3.2.2 *thereafter, an amount equal to 10% (ten percent) of the Available Cash Dividend as Distributions in respect of the Ordinary Shares; and*

3.2.3 *thereafter, the Excess Cash Dividend (if any) into the Distribution Receipts Account.*

Special Dividends, Return of Capital and Repurchases

3.3 *If Northam (i) resolves to pay a Special Dividend or a Return of Capital, or (ii) Repurchases all or any of the BEE Shares and accordingly becomes obliged to pay a Repurchase Price, the Agent shall, prior to the applicable Distribution Accrual Date, determine:*

3.3.1 *a reasonable provision for the Taxes (if any) that will become payable by the Company in respect of that Special Dividend, Return of Capital or Repurchase Price;*

3.3.2 *the amount (the "**Available Distribution**") that will remain of that Special Dividend, Return of Capital or Repurchase Price after that provision for Taxes has been deducted;*

3.3.3 *the Accumulated Dividends (in respect of all the Preference Shares) on the applicable Distribution Accrual Date; and*

3.3.4 *the excess, if any (the "**Excess Distribution**") of the Available Distribution over the Accumulated Dividends (in respect of all the Preference Shares) on the applicable Distribution Accrual Date.*

3.4 *The Company shall procure that, on each Distribution Accrual Date Northam pays the amounts in respect of the applicable Special Dividend, Return of Capital or Repurchase Price by making the following payments on behalf of the Company to the Holders and as Preference Dividends:*

3.4.1 *to the Holders and as Preference Dividends an amount equal to the lesser of (i) the Available Distribution, and (ii) the Accumulated Dividends (in respect of all the outstanding Preference Shares) on that Distribution Accrual Date or Payment Date; and*

3.4.2 *thereafter, the Excess Distribution (if any) into the Distribution Receipts Account.*

Scrip Dividends

3.5 *If Northam declares any dividend on the basis that a holder of Northam Shares is entitled to elect either to receive a Cash Dividend or a Scrip Dividend:*

3.5.1 *the Company shall elect to receive a Cash Dividend; and*

3.5.2 *on the Distribution Accrual Date on which Northam pays that Cash Dividend, the provisions of clauses 3.1 and 3.2 shall apply.*

3.6 *If Northam declares any dividends on the basis that the applicable dividend will be settled by means of the issue of Northam Shares (and if no cash alternative is offered to the Holders), that dividend shall for all purposes be treated as an issue of Capitalisation Shares by Northam to the Company and the Company shall accordingly comply, in relation to the Northam Shares issued to it in settlement of that dividend, with the provisions of clause 3.7.*

Capitalisation Shares

3.7 *If Northam issues any Capitalisation Shares to the Company:*

3.7.1 *the Agent shall, acting on behalf of the Company, sell those Capitalisation Shares as soon as may be reasonably possible in the circumstances (taking account of the fact that, in order to avoid a reduction of the market price of Northam Shares as a result of such sale, it may be prudent to sell the applicable Capitalisation Shares over a period of time);*

3.7.2 *within 5 (five) Business Days of the date on which all the applicable Capitalisation Shares have been sold, the Agent shall determine (i) the total Disposal proceeds obtained as a result of the Disposal of the applicable Capitalisation Shares; (ii) all the costs directly and reasonably incurred by the Agent in selling those Capitalisation Shares; (iii) an estimate of the Taxes that will become payable by the Company as a result of those sales and any interest accrued in favour of the Company on the amounts received; (iv) the remainder of the Disposal Proceeds obtained by the Company and any interest accrued thereon after the deduction of the aforesaid costs and Tax provision (such remainder the "**Net Capitalisation Proceeds**"); (v) the Accumulated Dividends (in respect of all the Preference Shares) on the date (the "**Determination Date**") on which the Agent undertakes its aforesaid determination, and* *(vi) the excess, if any (the "**Excess Capitalisation Proceeds**") of the Net Capitalisation Proceeds over the aforesaid Accumulated Dividends; and*

3.7.3 *on the Determination Date the Company shall pay:*

3.7.3.1 *to the Holders, and as Preference Dividends, an amount equal to the lesser of (i) the Net Capitalisation Proceeds, and (ii) the Accumulated Dividends (in respect of all the Preference Shares) on the Determination Date; and*

3.7.3.2 *thereafter, the Excess Capitalisation Proceeds (if any) into the Distribution Receipts Account.*

Renounceable Letters of Allotment

3.8 *If Northam issues any RLAs to the Company (in respect of a rights offer undertaken by Northam):*

3.8.1 *the Agent shall, acting on behalf of the Company, sell those RLAs as soon as may be reasonably possible in the circumstances (and, in undertaking such sales, the Company shall use reasonable endeavours to maximise the Disposal proceeds in respect of the RLAs);*

3.8.2 *within 5 (five) Business Days of the date on which the Agent has sold all the applicable RLAs, the Agent shall determine (i) the total disposal proceeds obtained by the Company pursuant to the Disposal of those RLAs; (ii) all the costs reasonably and directly incurred by the Agent in connection with such sale and any interest accrued in favour of the Company on the amounts received; (iii) an estimate of the Taxes that will become payable by the Company as a result of such sale and any interest accrued thereon; (iv) the difference between the Disposal Proceeds and interest in respect of those RLAs and the aforesaid costs and Tax provision (such difference the "**Net RLA Proceeds**"); (v) the Accumulated Dividends (in respect of all the Preference Shares) on the date (the "**RLA Determination Date**") on which the Agent undertakes its determination, and (vi) the excess, if any (the "**Excess RLA Proceeds**") of the Net RLA Proceeds over those Accumulated Dividends; and*

3.8.3 *on the RLA Determination Date the Company shall pay:*

3.8.3.1 *to the Holders and as Preference Dividends the lesser of (i) the Net RLA Proceeds, and (ii) the Accumulated Dividends (in respect of all the Preference Shares) on the RLA Determination Date; and*

3.8.3.2 *thereafter, the Excess RLA Proceeds (if any) into the Distribution Receipts Account.*

The Distribution Receipts Account

3.9 *The Company shall procure that Northam shall open and operate the Distribution Receipts Account on the following basis:*

3.9.1 *Northam shall at all times be entitled to view that account; and*

3.9.2 *all withdrawals from that account shall only be authorised by persons nominated in writing by Northam,*

and the Company shall procure that the bank with whom the Distribution Receipts Account is operated (i) accepts the aforesaid arrangements, and (ii) agrees not to change those arrangements other than on the written instructions of persons authorised thereto by Northam.

3.10 *If the Company holds any amounts in the Distribution Receipts Account on the last day of any Calculation Period, Northam (acting on behalf of the Company) shall on that last day pay to the Holders, out of the Distribution Receipts Account and as Preference Dividends, an amount equal to the lesser of (i) the amount held in the Distribution Receipts Account on the last day of the applicable Calculation Period, and (ii) the Accumulated Dividends (in respect of all the Preference Shares) on that last day.*

3.11 *The Company shall not withdraw any amount out of the Distribution Receipts Account other than to pay:*

3.11.1 *Preference Dividends in accordance with the provisions of clause 3; or*

3.11.2 *the Redemption Prices of Preference Shares which the Company elects to redeem voluntarily pursuant to the provisions of clause 4.1 or becomes obliged to redeem pursuant to the provisions of clause 8.1.*

Attribution

3.12 *All the amounts paid by the Company to the Holders on account of the Preference Dividends shall be attributed firstly to any Additional Dividends that have not yet been paid and thereafter to the Scheduled Dividends.*

4. *VOLUNTARY REDEMPTION*

Right to Redeem

4.1 *At any time prior to the date 3 (three) years and 1 (one) day after the Issue Date, the Company shall at any time be entitled (but not obliged) to redeem such number of Preference Shares as the Company may in its discretion determine out of amounts, other than Refinance, held by it in the Distribution Receipts Account.*

4.2 *If the Company elects to redeem, as envisaged in clause 4.1, some of the Preference Shares out of amounts (other than Refinance) held by it in the Distribution Receipts Account, the Company shall, subject to such rounding down as the Agent may in its discretion determine, redeem the Preference Shares in question pro rata and across all the Holders (so that the Company shall redeem such a number of Preference Shares held by any specific Holder as bears the same ratio to all the Preference Shares redeemed by the Company, as the ratio of the Preference Shares held by that Holder bears to all the Preference Shares).*

Procedure

4.3 *If the Company elects to redeem any of the Preference Shares voluntarily:*

4.3.1 *the Agent, on behalf of the Company, shall give notice (a "**Voluntary Redemption Notice**") by means of the Exchange Information Service to the Holders of the Company's intention to redeem Preference Shares voluntarily;*

4.3.2 *the Voluntary Redemption Notice shall set out (i) the date (the "**Early Redemption Date**") on which the Company will redeem the applicable Preference Shares, (ii) the number (the "**Voluntary Redemption Shares**") of the Preference Shares that the Company will redeem voluntarily, and (iii) the allocation of the Voluntary Redemption Shares amongst the Holders; and*

4.3.3 *the Voluntary Redemption Notice shall be revocable and, despite the giving of the Voluntary Redemption Notice, the Company shall not be obliged to redeem either the Voluntary Redemption Shares or any other Preference Shares on the applicable Early Redemption Date; but*

4.3.4 *if (i) the Agent delivers a Voluntary Redemption Notice, and (ii) the Company does not redeem the applicable Voluntary Redemption Shares on the applicable Early Redemption Date, the Company shall not thereafter redeem any Preference Shares voluntarily without first procuring that the Agent publishes a further Voluntarily Redemption Notice.*

4.4 *On the Voluntary Redemption Date specified in a Voluntary Redemption Notice the Company shall be entitled (but not obliged) to pay the Redemption Prices of the Voluntary Redemption Shares to the Programme Participants for payment to the applicable Beneficiaries.*

5. *WARRANTIES*

General Warranties

5.1 *The Company hereby gives each of the following warranties to each Beneficiary and each such a warranty is given as at the Issue Date:*

5.1.1 *the Company has been duly incorporated and validly exists under the laws of South Africa;*

5.1.2 *all resolutions of the Company, whether they are special resolutions or resolutions of its Board, which are required to create and issue the Preference Shares have been validly adopted;*

5.1.3 *the Company has not undertaken any business other than any transactions concluded in the normal and ordinary course of the Company Business;*

5.1.4 *the BEE Shares are not subject to any Encumbrance in favour of any person (other than under the Northam Pledge and Cession);*

5.1.5 *the Guarantee is valid, binding and enforceable (against Northam) in accordance with its terms; and*

5.1.6 *all information provided by the Company to the Holders on or before the Issue Date in connection with the Company and/or the Preference Shares was true and correct in all material respects.*

5.2 *If the Company breaches any warranty contained in clause 5.1 each Beneficiary shall be entitled to recover from the Company such damages (if any) as it may have suffered as a result of that breach, provided that proceedings to recover those damages shall be instituted in the manner envisaged in clause 9.8 (and in no other manner).*

Tax Warranties

5.3 *The Company hereby gives the following warranties to each Beneficiary (i) initially as at the Issue Date, and (ii) thereafter on the basis that each such warranty shall be deemed to have been repeated on each day between the Issue Date and the Discharge Date:*

5.3.1 *the Company shall comply, in all respects, with the Act (and in particular with section 46 thereof) in relation to the payment of each Preference Dividend;*

5.3.2 *no Preference Dividend shall be paid out of the Company's "contributed tax capital" as defined in the Tax Act;*

5.3.3 *the Redemption Price of each Preference Share shall be paid out of the Company's contributed tax capital;*

5.3.4 *each Preference Dividend will constitute a "dividend" as defined in the Tax Act as at the Tax Reference Date;*

5.3.5 *the Preference Shares are neither (i) "hybrid equity instruments" as defined in section 8E of the Tax Act as at the Tax Reference Date, nor (ii) "third party backed shares" as defined in the Tax Act as at the Tax Reference Date; and*

5.3.6 *it will use the Issue Prices obtained by it for the Preference Shares entirely in order to pay the Subscription Price in respect of all of the Subscription Shares and the Sale Price in respect of all of the Sale Shares.*

5.4 *In addition the Company warrants to each Beneficiary that, as at the Issue Date the Dividends Exemption Provision applies to the Preference Dividends so that, and as at the Issue Date, the Preference Dividends are exempt from the Normal Tax except to the extent to which (i) any of the Taxing Exceptions applies, or (ii) the Dividends Exemption Provisions do not apply as a result of any acts or omissions of the Holder or Beneficiary of any applicable Preference Shares.*

5.5 *Except if (i) a Normal Tax Event has occurred, or (ii) as a result of the actions or omissions of the applicable Holder or Beneficiary any Preference Dividend has become subject to the Normal Tax, or (iii) a Taxing Exemption applies to any Preference Dividend, each Beneficiary shall be entitled to complete its Tax returns on the basis that the Preference Dividends are exempt from the Normal Tax. In the circumstances, and if the Company breaches any Tax Warranty:*

5.5.1 *each Beneficiary shall be entitled to recover, from the Company, all such damage as it may suffer as a result of such breach, provided that proceedings to recover those damages shall be instituted in the manner envisaged in clause 9.7 (and in no other manner); and*

5.5.2 *if, as a result of such breach, any Preference Dividend paid by the Company becomes subject to the Normal Tax, each Beneficiary's damages shall, without limitation, include (i) any interest that becomes payable by that Beneficiary under the Tax Act as a result of the fact that it has claimed (in its Tax returns) that the Preference Dividends are exempt from the Normal Tax, and (ii) any penalties of any nature levied by SARS under the Tax Admin Act (including an "understatement penalty" as envisaged in section 223 of that Act as at the Tax Reference Date).*

6. *UNDERTAKINGS*

The Undertakings

6.1 *The Company shall, until the Discharge Date:*

6.1.1 *maintain its corporate existence and comply with all laws that are applicable to it;*

6.1.2 *subject to clause 8, not Dispose of the BEE Shares nor any other asset of the Company (other than the Capitalisation Shares and the RLAs in the manner contemplated in these Preference Share Terms) other than pursuant to the Northam Pledge and Cession;*

6.1.3 *not undertake any business other than the Company Business;*

6.1.4 *ensure that each Preference Share remains validly issued and listed on the JSE until its Actual Redemption Date;*

6.1.5 *comply with all its obligations under the Administration Services Agreement and, except if the Agent (authorised by the applicable Required Majority) has otherwise agreed in writing, enforce all its rights under the Administration Services Agreement;*

6.1.6 *not terminate the Administration Services Agreement for any reason;*

6.1.7 *not issue any share of any class other than the Ordinary Shares, the Preference Shares and the N Share; and*

6.1.8 *not make any Distribution in respect of (i) the Ordinary Shares other than at the times and to the extent specifically authorised by these Preference Share Terms, or (ii) the N Share other than at the times and to the extent envisaged in the N Share Terms and provided that the outstanding Preference Shares have been fully redeemed;*

6.1.9 *not create any Encumbrance over any of its assets including, but without limitation, the BEE Shares, other than pursuant to the Northam Pledge and Cession;*

6.1.10 *not incur any Financial Indebtedness save in the event that the Company is required to settle all or a portion of the unpaid Preference Dividends and/or the Redemption Price in cash as envisaged in clause 8.5, 8.10 or 8.12, and such Financial Indebtedness is for the purpose of enabling the Company to redeem the Preference Shares or settle all or a portion of the unpaid Preference Dividends;*

6.1.11 *not incur any liability of any nature whatsoever other than a liability permitted under these Preference Share Terms; and*

6.1.12 *not enter into any transaction other than in the normal and ordinary course of the Company Business and on arm's length terms.*

6.2 *If (i) prior to date on which Northam's STC Credit is deemed to be zero in terms of section 64J(5) of the Tax Act, Northam pays a Cash Dividend, Special Dividend or Repurchase Price in respect of all or any of the BEE Shares, and (ii) notifies the Company, as envisaged in section 64J(1)(b) of the Tax Act that such payment will reduce Northam's STC Credit, the Company shall, until the date on which (in terms of the provisions of section 64J(3) of the Tax Act) its own STC Credit is deemed to be zero:*

6.2.1 *allocate its own STC Credit to the Preference Dividends paid by it, such allocation to be made pro rata to the number of Preference Shares held by each Holder; and*

6.2.2 *advise each Holder, as envisaged in section 64J(1)(b) of the Tax Act that the payment of the applicable Preference Dividend will reduce the Company's STC Credit.*

Breach

6.3 *If the Company breaches any undertaking provided by it pursuant to clause 6.1 or clause 6.2, each Beneficiary shall be entitled to recover from the Company such damages as that Beneficiary may have suffered as a result of the Company's breach of the applicable undertaking, provided that proceedings to recover those damages shall be instituted in the manner envisaged in clause 9.8 (and in no other manner).*

7. *TRIGGER EVENTS*

The Events

7.1 *A Trigger Event shall occur if any of the following facts or circumstances occur (whether or not such occurrence is within the Company's control):*

7.1.1 *the Company fails to pay the Preference Dividends envisaged in clauses 3.2, 3.4.1, 3.7.3.1, 3.8.3.1 and 3.10 on the applicable due date for such payment;*

7.1.2 *the Company pays any Preference Dividend but fails to comply with section 46 of the Act in relation to such payment;*

7.1.3 *the Company fails to deal with any Capitalisation Shares issued to it in respect of the BEE Shares in the manner envisaged in clause 3.7;*

7.1.4 *the Company fails to deal with any RLAs issued to it in respect of the BEE Shares in the manner envisaged in clause 3.8;*

7.1.5 *the Company breaches any warranty contained in either clause 5.1 or in clause 5.3 and fails to remedy that breach within 5 (five) Business Days of being required to do so in writing by the Agent (and the Agent shall be entitled to deliver such a notice to the Company without first obtaining instructions from the Holders);*

7.1.6 *the Company breaches any undertaking given by it to the Holders pursuant to clause 6 and fails to remedy such breach within 10 (ten) Business Days of written notice by the Agent requiring it to do so (and the Agent shall be entitled to deliver such written notice without first obtaining instructions from the Holders);*

7.1.7 *the Company breaches any obligation imposed on it under these Preference Share Terms, other than the obligations envisaged in clauses 7.1.1 to 7.1.6 and fails to remedy that breach within 20 (twenty) Business Days of receipt of written notice from the Agent requiring it to do so (and the Agent shall be entitled to deliver such written notice without first obtaining instructions from the Holders);*

7.1.8 *the Company fails to comply with, or fails to pay any sum due by it under, any final judgment or final order made or given by any court of competent jurisdiction in an amount exceeding R10 000 000 (ten million Rand);*

7.1.9 *an Insolvency Event occurs in relation to the Company;*

7.1.10 *the Northam Pledge and Cession ceases to confer security in accordance with its terms;*

7.1.11 *the Company ceases to be an HDSA Company and has failed to remedy such position within the time period envisaged in the Subscription Agreement;*

7.1.12 *a Material Adverse Event occurs in relation to the Company;*

7.1.13 *a Material Dividend Rate Event occurs;*

7.1.14 *the Department of Mineral Resources and/or other relevant governmental authority ceases to recognise the BEE Shares as contributing 31.4% (thirty one point four percent) HDSA equity ownership in Northam, other than as a result of Northam issuing additional Northam Shares, thereby diluting the HDSA equity ownership in Northam;*

7.1.15 *an Insolvency Event occurs in relation to Northam;*

7.1.16 *Northam fails to comply with, or pay any sum due by it under, any final judgment or any final order made or given by any court of competent jurisdiction in an amount exceeding R100 000 000 (one hundred million Rand);*

7.1.17 *Northam forfeits any of its mining licenses if the licenses thus forfeited (i) contribute more than 25% (twenty five percent) to Northam's resource reserve, or (ii) contributed more than 25% (twenty five percent) of Northam's revenue for its most recent financial year;*

7.1.18 *the Guarantee becomes unenforceable for any reason whatsoever or Northam repudiates its obligations under the Guarantee;*

7.1.19 *a Change of Control occurs in relation to Northam;*

7.1.20 *the Northam Shares cease to be listed on the JSE or a resolution is proposed to Northam Shareholders to delist the Northam Shares;*

7.1.21 *the Northam Shares are suspended from trading on the JSE on which they are listed, for more than 5 (five) consecutive Trading Days (other than as a result of a general suspension of shares on the JSE);*

7.1.22 *the authority or ability of Northam to conduct its business is wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction, cancellation or suspension of approval or other action by or on behalf of any governmental, regulatory or other authority or other person;*

7.1.23 *any Financial Indebtedness of Northam exceeding an aggregate amount of R500,000,000 (five hundred million RandRand) (escalating annually at CPI from the 1st (first) anniversary of the Issue Date) becomes immediately due and payable, or is capable of being declared due and payable (or any commitment in respect of any such indebtedness is withdrawn or cancelled), in each case, prior to its stated maturity by reason of an event of default (however described) which has not been remedied within any applicable grace period;*

7.1.24 *Northam fails to discharge any Financial Indebtedness exceeding an amount of R500,000,000 (five hundred million RandRand) (escalating annually at CPI from the 1st (first) anniversary of the Issue Date) in aggregate on the later of (i) its due date or (ii) upon the expiry of the grace period therefor, if any (other than a liability which Northam is contesting in good faith on the basis of favourable legal advice);*

7.1.25 *a resolution is proposed or passed in terms of which Northam is authorised to Dispose of all or the greater part of its assets or undertaking as defined in section 1 of the Act (or a similar provision in any applicable law after the Issue Date) or Northam otherwise ceases to carry on business; or*

7.1.26 *a Material Adverse Event occurs in relation to Northam.*

The Company Trigger Events

7.2 *If a Company Trigger Event or a Material Dividend Rate Trigger Event occurs the N Shareholder shall be entitled (but not obliged):*

7.2.1 *to give written notice (an "**N Cure Notice**") to the Company and the Agent in which the N Shareholder requires the Company to remedy the applicable occurrence within 1 (one) Business Day of the receipt of the N Cure Notice; and*

7.2.2 *if the Company does not remedy the applicable Company Trigger Event or Material Dividend Rate Trigger Event within the aforesaid 1 (one) Business Day period, to deliver written notice (an "**N Redemption Notice**") to the Company and the Agent in which it requires the Company to redeem all the Preference Shares.*

7.3 *If the N Shareholder wishes to exercise the rights conferred on it by clause 7.2, the N Shareholder shall:*

7.3.1 *deliver the N Cure Notice to the Company and the Agent within 30 (thirty) days of the date on which the N Shareholder first becomes aware of the fact that the applicable Company Trigger Event or Material Dividend Rate Trigger Event has occurred; and*

7.3.2 *thereafter, and if it becomes entitled to deliver an N Redemption Notice, deliver that notice to the Company and the Agent on a Business Day occurring within 10 (ten) days of the date on which it becomes entitled to do so and by no later than 13:00 on the particular Business Day,*

failing which the N Shareholder's right to require redemption as a result of the occurrence of the applicable Company Trigger Event or Material Dividend Rate Trigger Event shall lapse (but if a further Company Trigger Event or Material Dividend Rate Trigger Event occurs thereafter, the N Shareholder shall again be entitled to the rights conferred on it by clause 7.2).

7.4 *If (i) a Company Trigger Event or Material Dividend Rate Trigger Event occurs, and (ii) the N Shareholder delivers a N Redemption Notice to the Company and the Agent by the date envisaged in clause 7.3.2, the Agent shall be required to:*

7.4.1 *publish a notice on the Company's behalf by means of the Exchange Information Service in which the Agent notifies the Holders that (i) the Company has become obliged to redeem Preference Shares, (ii) the date on which the Company must redeem the Preference Shares, and (iii) the number of Northam Shares that the Company must transfer to each Holder in the event that it elects to settle unpaid Preference Dividends by transferring Northam Shares;*

7.4.2 *deliver written notice (a "**Restriction Notice**") to the Company within 2 (two) days of receipt by it of the N Redemption Notice in which the Agent notifies the Company of the details of any one or more of the Holders or Beneficiaries are subject to the restrictions envisaged in clause 8.13 and full details thereof.*

7.5 *If (i) a Company Trigger Event occurs, and (ii) the N Shareholder does not deliver a N Cure Notice or a N Redemption Notice to the Company and the Agent by the dates envisaged in clause 7.3.2:*

7.5.1 *the Agent shall convene a Holder Meeting as soon as may be reasonably possible in the circumstances for the purposes of determining what steps (if any) the Holders should take as a result of the occurrence of the applicable Company Trigger Event;*

7.5.2 *if the Holders resolve, by the applicable Required Majority, to call on the Company to remedy the applicable occurrence, the Agent shall deliver written notice (a "**Holder Cure Notice**") to such effect to the Company on a Business Day occurring within 2 (two) days of the date on Holders' resolution and by no later than 13:00 on the particular Business Day; and*

7.5.3 *if the Company fails to comply with the Holder Cure Notice within a period of 1 (one Business Day), the Agent shall (if it has been so authorised by the Holders by means of the applicable Required Majority) deliver written notice (a "**Holder Redemption Notice**") to the Company on a Business Day occurring within 2 (two) days of the date of the expiry of the remedy period in which the Agent (i) requires the Company to redeem the Preference Shares and (ii) notifies the Company of details any one or more of the Holders or Beneficiaries are subject to the restrictions envisaged in clause 8.13 and full details thereof.*

7.6 *For the avoidance of doubt, it is recorded that the Agent shall not be entitled to deliver a Holder Cure Notice in respect of the occurrence of a Material Dividend Rate Trigger Event.*

The Northam Trigger Event

7.7 *The N Shareholder shall not have the right to require the redemption of the Preference Shares on the grounds that a Northam Trigger Event has occurred.*

7.8 *If a Northam Trigger Event occurs:*

7.8.1 *the Agent shall convene a Holder Meeting in order to determine the steps, if any, to be taken as a result of such occurrence;*

7.8.2 *if the Holders resolve by the applicable Required Majority to require the Company to remedy the applicable Northam Trigger Event the Agent shall deliver a Holder Cure Notice to such effect to the Company on a Business Day occurring within 2 (two) days of the date on Holders' resolution and by no later than 13:00 on the particular Business Day; and*

7.8.3 *if the Company fails to remedy the applicable occurrence within 1 (one) Business Day of receipt of the Holder Cure Notice by it, the Agent shall (if so authorised by the Holders by means of the applicable Required Majority) deliver a Holder Redemption Notice to the Company on a Business Day occurring within 2 (two) days of the date of the expiry of the remedy period, in which the Agent (i) requires the Company to redeem the outstanding Preference Shares and (ii) notifies the Company of details any one or more of the Holders or Beneficiaries are subject to the restrictions envisaged in clause 8.13 and full details thereof.*

Date for Redemption

7.9 *The Company shall redeem all the outstanding Preference Shares within 4 (four) Business Days of the receipt by it of an N Redemption Notice or 2 (two) Business Days of the receipt by it of a Holder Redemption Notice, provided that if the Holder Redemption Notice is delivered to the Company as a result of a Change of Control as envisaged in clause 1.1.23.2, the Company shall redeem all the outstanding Preference Shares within 2 (two) Business Days of the date on which any person, or two or more persons acting in concert (as defined in the Act) acquire/s Control of Northam.*

8. *REDEMPTION*

The Distribution Receipts Account

8.1 *If, on the date 3 (three) years and 1 (one) day after the Issue Date or on any day thereafter, the Company holds more than R10,000,000 (ten million Rand) (the "**Redemption Threshold**") in the Distribution Receipts Account after it has paid all the Accumulated Dividends:*

8.1.1 *the Agent shall, by the date 5 (five) Business Days after the cash held by the Company in the Distribution Receipts Account exceeds the Redemption Threshold, publish a notice by means of the Exchange Information Service to the effect that the Company (i) holds cash in excess of the Redemption Threshold in the Distribution Receipts Account, and (ii) the Company must accordingly redeem such a number of the Preference Shares as is set out in the aforesaid notice; and*

8.1.2 *on the date 2 (two) Business Days after the publication of that notice, the Company shall redeem the applicable number of Preference Shares, such redemption to be effected (subject to such rounding down as the Agent may in its discretion determine) pro rata and across all the Holders (so that the Company shall redeem such a number of Preference Shares held by any specific Holder as bears the same ratio to all the Preference Shares redeemed by the Company, as the ratio of the Preference Shares held by that Holder bears to all the Preference Shares).*

Compulsory Redemption

8.2 *The Company shall redeem:*

8.2.1 *the outstanding Preference Shares if it becomes obliged to do so by virtue of the delivery of an N Redemption Notice or a Holder Redemption Notice; and*

8.2.2 *all the outstanding Preference Shares on the Scheduled Redemption Date.*

Redemption in specie

8.3 *If the Company becomes obliged to redeem the Preferences Shares, either in terms of clause 8.2.1 or clause 8.2.2, the Company shall, subject to clauses 8.4, 8.5 and 8.13, settle the Redemption Price of each Preference Share by:*

8.3.1 *transferring, to the Holder of that Preference Share and subject to such rounding down as may be reasonably determined by the Agent in writing, such a number of Northam Shares as is determined in accordance with the following formula:*

$a = b \div c$

in which formula

a = *the number of Northam Shares to be distributed in specie to the Holder of the applicable Preference Shares;*

b = *the Redemption Price of the applicable Preference Shares; and*

c = *90% (ninety percent) of the 30 Day VWAP of 1 (one) Northam Share on the date on which the Company becomes obliged to redeem the Preference Shares; and*

8.3.2 *paying the balance (if any) in cash.*

8.4 *The Agent shall:*

8.4.1 *determine (i) the number of Northam Shares that must be distributed by the Company to each Holder in order to settle the Redemption Price in respect of the outstanding Preference Shares and (ii) the number of Northam Shares that must be distributed by the Company to each Holder in the event that the Company elects to settle unpaid Preference Dividends by transferring Northam Shares; and*

8.4.2 *publish a notice by means of the Exchange Information Service in which the Agent notifies the Holders that (i) the Company has become obliged to redeem Preference Shares; (ii) the date on which the Company must redeem the Preference Shares; (iii) the number of Northam Shares that the Company must transfer to each Holder in order to settle the Redemption Price in respect of the outstanding Preference Shares; (iv) the number of Northam Shares that the Company must transfer to each Holder in the event that it elects to settle unpaid Preference Dividends by transferring Northam Shares and (v) requesting that Holders notify the Agent in writing of any restrictions as envisaged in clause 8.13 and full details thereof within 1 (one) day of the said notice.*

8.5 *If the Company becomes obliged to redeem the Preferences Shares pursuant to a delisting or proposed delisting of the Northam Shares as envisaged in clause 7.1.20; the Northam Shares being suspended from trading as envisaged in clause 7.1.21 or a Change of Control as envisaged in clause 7.1.19, the Company shall be obliged to redeem the Preference Shares in cash.*

Refinance

8.6 *Despite the provisions of clause 8.3, if the Company becomes obliged to redeem the Preferences Shares, either in terms of clause 8.2.1 or clause 8.2.2, the Company shall, with the prior written consent of the N Shareholder and the Agent (if it has been so authorised by the Holders by means of the applicable Required Majority), be entitled to incur Refinance in order to redeem the outstanding Preference Shares in cash (or partly in cash as envisaged in clause 8.8), provided that if the Company becomes obliged to redeem the Preferences Shares pursuant to a delisting or proposed delisting of the Northam Shares as envisaged in clause 7.1.19 or a Change of Control as envisaged in clause 7.1.18, the Company shall be obliged to incur Refinance in order to redeem the outstanding Preference Shares in cash.*

8.7 *If the Company incurs any Refinance in order to redeem the Preference Shares in cash (or partly in cash as envisaged in clause 8.8), the Company shall:*

8.7.1 *procure that the proceeds of that Refinance are paid into the Distribution Receipts Account; and*

8.7.2 *on the due date for redemption of the Preference Shares, redeem those shares by paying the Redemption Price to the Holders, on the basis that payment shall be made out of the Distribution Receipts Account.*

Redemption partly in specie and partly in cash

8.8 *If the Company becomes obliged to redeem the Preferences Shares, either in terms of clause 8.2.1 or clause 8.2.2, the Company shall, subject to clauses 8.4, 8.6, 8.13 and 8.5, be entitled to settle the Redemption Price of the Preference Shares partly in cash (as envisaged in clause 8.5) and settling the balance by transferring, to the Holders of the Preference Shares, a number of Northam Shares and subject to such rounding down as may be reasonably determined by the Agent in writing, such a number of Northam Shares as is determined in accordance with the following formula:*

$a = b \div c$

in which formula

$a =$ *the number of Northam Shares to be distributed in specie to the Holder of the applicable Preference Shares;*

$b =$ *the Redemption Price of the applicable Preference Shares less that portion of the Redemption Price which will be settled in cash; and*

$c =$ *90% (ninety percent) of the 30 Day VWAP of 1 (one) Northam Share on the date on which the Company becomes obliged to redeem the Preference Shares.*

Payment of Preference Dividend

8.9 *The Company shall, on the date on which it redeems any Preference Shares:*

8.9.1 *voluntarily in terms of clause 4.1, pay to each Holder all the unpaid Preference Dividends in respect of the Preference Shares held by that Holder in cash; or*

8.9.2 *in terms of this clause 8, settle the outstanding Preference Dividends in respect of that share, at its election:*

8.9.2.1 *subject to clause 8.6, by making a cash payment to the Holders of the Preference Shares; or*

8.9.2.2 *by:*

8.9.2.2.1 *subject to clauses 8.4, 8.13 and 8.10, transferring, to the Holder of that Preference Share and subject to such rounding down as may be reasonably determined by the Agent in writing, such a number of Northam Shares as is determined in accordance with the following formula:*

$a = b \div c$

in which formula

a = the number of Northam Shares to be distributed in specie to the Holder of the applicable Preference Shares;

b = the unpaid Preference Dividends of the applicable Preference Shares; and

c = 90% (ninety percent) of the 30 Day VWAP of 1 (one) Northam Share on the date on which the Company becomes obliged to redeem the Preference Shares; and

8.9.2.2.2 *paying the balance (if any) in cash; or*

8.9.2.3 *subject to clauses 8.4, 8.6, 8.10 and 8.13, partly by making a cash payment to the Holders of the Preference Shares and settling the balance by transferring, to the Holders of the Preference Shares, a number of Northam Shares and subject to such rounding down as may be reasonably determined by the Agent in writing, such a number of Northam Shares as is determined in accordance with the following formula:*

$a = b \div c$

in which formula

a = the number of Northam Shares to be distributed in specie to the Holder of the applicable Preference Shares;

b = the unpaid Preference Dividends of the applicable Preference Shares less that portion of the Preference Dividends that will be settled in cash; and

c = 90% (ninety percent) of the 30 Day VWAP of 1 (one) Northam Share on the date on which the Company becomes obliged to redeem the Preference Shares.

8.10 *If the Company becomes obliged to redeem the Preferences Shares pursuant to a delisting or proposed delisting of the Northam Shares as envisaged in clause 7.1.20; the Northam Shares being suspended from trading as envisaged in clause 7.1.21 or a Change of Control as envisaged in clause 7.1.19, the Company shall be obliged to settle the outstanding Preference Dividends in respect of those shares by making a cash payment to the Holders of the Preference Shares.*

Securities Transfer Tax

8.11 *The Company shall pay all the STT that becomes payable as a result of the settlement of outstanding Preference Dividends in accordance with clause 8.9 or the redemption of any Preference Shares.*

8.12 *If the Company settles any Preference Dividends or redeems any Preference Share by transferring any of its Northam Shares to the applicable Holder, the Company shall pay the STT that becomes payable as a result of such transfer and the Company hereby indemnifies each applicable Holder against the payment of such STT and any claims that may be made against that Holder by any person (including SARS) for payment of the applicable STT.*

Holder / Beneficiary Restrictions

8.13 *If the Company (i) elects to settle (whether partly or in full) the unpaid Preference Dividends through the transfer of Northam Shares in accordance with clause 8.9.2.2.1 or clause 8.9.2.3 and/or (ii) is obliged to settle the Redemption Price through the transfer of Northam Shares in accordance with clause 8.3 and/or (iii) elects to settle the Redemption Price partly in cash and partly through the transfer of Northam Shares in accordance with clause 8.8, then to the extent that the transfer of such Northam Shares to a particular Holder or, in the case of a Holder that is a Programme Participant, the transfer of such Northam Shares by a Holder to a Beneficiary will:*

8.13.1 *require the prior approval or consent of any Authority in terms of any law; or*

8.13.2 *result in the relevant Holder being required to make a mandatory offer to the remaining holders of Northam Shares in accordance with the takeover provisions of the Act (or similar provisions in any applicable law after the Signature Date),*

as set out in the Restriction Notice or the Holder Redemption Notice, as the case may be, the Company shall be obliged to settle the unpaid Preference Dividends and/or the Redemption Price, as the case may be, in respect of the relevant number of outstanding Preference Shares held by such Holder or Beneficiary in cash (in order to avoid the application of clauses 8.13.1 and 8.13.2) and the unpaid Preference Dividends and/or the Redemption Price (as the case may be) in respect of the balance of the Preference Shares held by the Holder or the Beneficiary, through the issue of Northam Shares in accordance with clauses 8.9.2.2.1, 8.9.2.3 and 8.3 respectively.

9. *HOLDER MEETINGS*

Role of the Agent

9.1 *The Agent shall:*

9.1.1 *represent the Holders in their dealings with the Company arising under the Preference Shares and these Preference Share Terms;*

9.1.2 *if it becomes necessary for the Holders to make a Decision, convene a Holder Meeting; and*

9.1.3 *in dealing with the Company, act strictly in accordance with the instructions given to it by the Holders by means of the applicable Required Majorities.*

9.2 *If Northam is both the Agent and the N Shareholder (i) Northam shall, in performing the function assigned to the Agent in terms of these Preference Share Terms, act as agent for and on behalf of the Holders, but (ii) in exercising any discretions and/or performing any functions assigned to the N Shareholder under these Preference Share Terms, act in its own right and without the need for obtaining instructions from the Holders.*

Holder Meetings

9.3 *If it becomes necessary for the Agent to convene a Holder Meeting the Agent shall:*

9.3.1 convene that meeting on the giving of 7 (seven) Business Days' notice or, if the Agent believes that the matter in question is urgent, on such shorter notice as the Agent may determine in its reasonable discretion; and

9.3.2 *convene each Holder meeting by giving notice by means of the Exchange Information Service, that notice to set out (i) the date and time of the meeting, and (ii) the details of the Decision that the Holders are required to make at the meeting.*

9.4 *The Agent shall appoint a person to chair each Holder Meeting and:*

9.4.1 *a quorum of meetings of the Holders shall be Holders who, between them, are the registered holders of at least 25% (twenty five percent) of the outstanding Preference Shares;*

9.4.2 *each Holder shall have 1 (one) vote for each Preference Share held by him;*

9.4.3 *all resolutions shall be by means of a poll and each Holder shall (i) exercise all the votes attributable to the Preference Shares held by it in accordance with the instructions provided to it by the applicable Beneficiaries, and (ii) itself make such arrangements as it may deem appropriate in order to obtain instructions from the applicable Beneficiaries.*

The Decisions Matrix

9.5 *The Required Majority in respect of each Decision is set out in the table below:*

Decision	***Required Majority***
Any amendment of the Preference Share Terms	*80%*
Enforcement of the Company's rights under the Administration Services Agreement	*80%*
Any amendment to the Guarantee	*80%*
Any consent or approval required by the Company pursuant to the Preference Share Terms	*80%*
The issue of a Holder Cure Notice	*25% plus one vote*
The issue of any Holder Redemption Notice	*25% plus one vote*
Any decision to institute legal proceedings against the Company or to claim against the Guarantee	*25% plus one vote*
Any decision not specifically mentioned in this table	*80% plus one vote*

9.6 *If the Holders adopt a resolution to issue a Holder Cure Notice the Holders may, as part of that resolution, authorise the Agent to issue a Holder Redemption Notice if the Company fails to comply with the Holder Cure Notice.*

Publication

9.7 *The Agent shall cause the details of each Decision adopted at a Holder Meeting to be published on the Exchange Information Service as soon as may be reasonably possible after that resolution has been adopted.*

Enforcement

9.8 *If the Holders resolve to institute any action of any nature whatsoever against the Company (arising under the Preference Shares and these Preference Share Terms) or against Northam (arising under the Guarantee) including, but without limitation, actions:*

9.8.1 *against the Company (i) for payment of any damages arising out of any breach of any warranty or undertaking given by the Company to the Holders under these Preference Share Terms, or (ii) for payment of any amounts that have become payable by the Company to the Holders under these Preference Share Terms, or (iii) for the specific enforcement of any of the Company's obligations under these Preference Share Terms, or (iv) to obtain an interdict against the Company to prevent it from breaching any of the provisions of these Preference Share Terms;*

9.8.2 *for the liquidation of the Company or for the commencement of business rescue proceedings against the Company; or*

9.8.3 *for the liquidation of Northam or for the commencement of business rescue proceedings against Northam;*

such action shall be instituted in accordance with the provisions of clause 9.9.

9.9 *Legal action arising out of the Preference Shares, these Preference Shares Terms and the Guarantee shall be brought in the following manner:*

9.9.1 *the Holders shall, by a Required Majority of 50% (fifty percent) plus 1 (one) vote, appoint an attorney to prosecute those proceedings;*

9.9.2 *the Holders shall, pro rata to their holdings of the Preference Shares, pay the reasonable costs of the applicable attorney in instituting those proceedings; and*

9.9.3 *any decision relating to those proceedings shall be adopted by the Holders by a required majority of 50% (fifty percent) plus 1 (one) vote.*

9.10 *Subject to clause 9.11, no Holder or Beneficiary shall itself institute any action of any nature whatsoever (including, but without limitation, the types of action envisaged in clause 9.8) against either the Agent or Northam (in its capacity as the guarantor under the Guarantee) but each Holder shall be limited, in enforcing its rights under the Preference Shares, these Preference Share Terms and the Guarantee, to proceedings taken by the Holders jointly and in accordance with the provisions of clause 9.8.*

9.11 *If pursuant to clause 2.14 any Holder or Beneficiary has the right, in relation to any specific Preference Shares, to claim payment of any amounts as a result of the occurrence of a Change Event if that Change Event occurs after the Actual Redemption Date on which the applicable Preference Share is redeemed, that Holder or Beneficiary shall be entitled to claim payment of such amounts directly from the Company and to itself institute any action of any nature whatsoever (including, but without limitation, the types of action envisaged in clause 9.8) against either the Agent or Northam (in its capacity as the guarantor under the Guarantee) in order to recover such amounts.*

10. *RETURN OF CAPITAL*

10.1 *On the liquidation of the Company each Preference Share shall confer on its Holder (for payment to the applicable Beneficiaries) a right to a return of capital in an amount equal to the Redemption Price of that Preference Share together with all Accumulated Dividends calculated up to the day on which that return of capital is paid to the applicable Holder.*

10.2 *Save as envisaged in clause 10.1, the Preference Share shall not be entitled to participate in the Company's excess assets on its liquidation.*

11. *VOTING*

11.1 *The Preference Shares shall not entitle the Holders to vote at meetings of the Company's shareholders except:*

11.1.1 *if a Trigger Event other than a Material Dividend Rate Trigger Event has occurred and has not been remedied;*

11.1.2 *the Company has not redeemed all of the Preference Shares on the Scheduled Redemption Date;*

11.1.3 *in relation to any resolution of the Company to (i) repurchase any shares of any class or affect a reduction in capital through any other corporate transaction, or (ii) place itself into voluntary liquidation; or*

11.1.4 *in respect of a resolution proposed to amend the preferences, rights, limitations and other terms associated with the Preference Shares.*

11.2 *If the Preference Shares are entitled to vote those shares shall, between them, be entitled to such a number of votes as is equal to 95% (ninety five percent) of all the votes exercisable by all the Company's shareholders (and each Preference Share shall have such a number of votes as is equal to the aggregate number of votes exercisable by all the Preference Shares divided by the number of the Preference Shares then in issue)."*

ADDITIONAL INFORMATION PROVIDED IN ACCORDANCE WITH THE DEBT LISTINGS REQUIREMENTS

The following information is provided in accordance with the Debt Listings Requirements:

1. Information in relation to the Zambezi Platinum Preference Shares:

Instrument code	ZPLP
Issue Date	18 May 2015
Issue Price	R41.00 (forty one Rand)
Nominal value	R6 556 123 573 (six billion five hundred and fifty six million one hundred and twenty three thousand five hundred and seventy three Rand)
ISIN	ZAE000202552
Date from which dividend accrues	18 May 2015

2. Information in relation to the Agent (as contemplated in the Northam Guarantee):

Name:	Andisa Capital Proprietary Limited, registration number 2003/001707/07, a company incorporated in the Republic of South Africa.
Function:	The Agent will represent the Holders and the Beneficiaries (as defined in the Northam Guarantee) in their dealings with the Company arising in respect of the Preference Shares.
Address:	Ground Floor, 7 St Davids Park, St Davids Place, Parktown, 2193 (PO Box 61085, Marshalltown, 2107, South Africa)

The main conditions of the Agent as representative for the Holders are provided in the Preference Share Terms and the Northam Guarantee, extracts of which are set out in annexure 1 and annexure 4 respectively. The Agent can be replaced in accordance with the standard procedures for an agreement of this nature.

IDENTITY AND GENERAL BUSINESS OF THE GUARANTOR (NORTHAM)

Northam is a mid-tier, integrated PGM producer and its shares are listed on the Exchange.

Northam's business is focused on the mining, processing and marketing of PGMs and its associated by-products to a long-standing and stable customer base in the major economic centres of the Wworld. Northam has a diversified mining asset portfolio, which includes, *inter alia*, the cash-generative Zondereinde platinum mine and metallurgical complex, the Booysendal platinum mine and concentrating plant, a 100% (one hundred percent) (previously 80% (eighty percent)) interest in Northam Chrome Producers Proprietary Limited (''**NCP**''), effective 1 August 2014, and a 7.5% (seven point five percent) interest in the Pandora Joint venture, a PGM mining operation at the southern end of the western limb of the Bushveld complex, in partnership with Anglo American Platinum Limited, the Bapo Ba Mogale community and Lonmin plc.

Northam owns a 50% (fifty percent) interest in the Dwaalkop Platinum project, a 20.3% (twenty point three percent) interest in the issued share capital of Trans Hex Group Limited, a diamond producing and marketing company listed on the Exchange and a 51% (fifty one percent) initial participatory interest in the Kokerboom joint venture which is a greenfields iron oxide / gold / copper and massive sulphide exploration project.

Northam also runs a sponsored level 1 ADR facility. The Northam ADRs trade with the ticker code NMPNY on an over-the-counter market in the U.S.

Zondereinde – half year period to 31 December 2014

Northam wholly owns and operates the established Zondereinde platinum mine and metallurgical complex on the upper end of the western limb of the South African Bushveld complex near the town of Thabazimbi, which produces some 300 000oz (three hundred thousand ounces) of PGMs annually.

Safety

No fatalities were recorded. The lost time injury incident rate ("**LTIIR**") for the period was 1.23 (one point two three) per 200 000 (two hundred thousand) hours worked (H1 F2014: 1.70 (one point seven)) and the reportable injury incident rate ("**RIIR**") was 0.84 (zero point eight four) (H1 2014: 0.86 (zero point eight six)).

Considerable effort continues to be applied by both management and employees in order to ensure the safety of all the Group's employees. 5 (five) production days were lost to a safety stoppage in the deepening section of the mine.

On 28 July, the No. 1 shaft's steelwork was damaged following an incident during a rope change exercise. This put the shaft out of commission for 6 (six) weeks resulting in the mine losing an estimated 615kg (six hundred and fifteen kilograms).

Operating performance

Total tonnages milled increased by 20.0% (twenty percent) to 988 113 tonnes (nine hundred and eighty eight thousand one hundred and thirteen tonnes) (H1 F2014: 823 234 tonnes (eight hundred and twenty three thousand two hundred and thirty four tonnes)), despite the six-week production interruption at No. 1 shaft. Merensky reef tonnes milled were 431 714 tonnes (four hundred and thirty one thousand seven hundred and fourteen tonnes)(H1 F2014: 387 597 tonnes (three hundred and eighty seven thousand five hundred and ninety seven tonnes)) at a head grade of 5.7g/t (five point seven grams per tonne) (3PGE+Au) and the UG2 reef contributed 556 399 tonnes (five hundred and fifty six thousand three hundred and ninety nine tonnes) (H1 F2014: 435 637 tonnes (four hundred and thirty five thousand six hundred and thirty seven tonnes)) at a head grade of 4.4g/t (four point four grams per tonne). The combined head grade was unchanged at 5.0g/t (five grams per tonne)(H1 2014: 5.0g/t (five grams per tonne)). The available ore reserves of the two reefs Merensky and UG2 are 20 (twenty) months and 24 (twenty four) months respectively.

The total operating cost at Zondereinde was approximately R1 500 000 000 (one billion and five hundred million Rand) (H1 F2014: R1.3 billion (one point three billion Rand)) which represents a 16.3% (sixteen point three percent) increase. Metals in concentrate production rose by 20.2% (twenty point two percent) to 4 179kg (four thousand one hundred and seventy nine kilograms)(H1 F2014: 3 477kg (three thousand four hundred and seventy seven kilograms)). Purchased material increased to 661kg (six hundred and sixty one kilograms) (H1 F2014: 589kg (five hundred and eighty nine kilograms)), a 12.2% (twelve point two percent) increase. The higher production volumes resulted in lower unit operating costs of R388 547/kg (three hundred and eighty eight thousand five hundred and forty seven Rand per kilogram) (H1 F2014: R404 674/kg (four hundred and four thousand six hundred and seventy four Rand per kilogram)) whilst unit cash costs fell by 3.0% (three percent) to R362 007/kg (three hundred and sixty two thousand and seven Rand per kilogram) (H1 2014: R373 266/kg (three hundred and seventy three thousand two hundred and sixty six Rand per kilogram)).

Steady progress continues to be made with extending the decline section of the mine. The completion of this infrastructure to 18 (eighteen) level will ultimately result in an extension of the mine's life to greater than 20 (twenty) years.

Employee relations

During the period under review there were no labour-related disruptions. Whilst the National Union of Mineworkers ("**NUM**") is the dominant union at Zondereinde representing some 70% (seventy percent) of the workforce, the Association of Mine and Construction workers Union ("**AMCU**"), has gained sufficient membership which entitles it to organisational rights at Zondereinde.

Operational optimisation

Preparatory work to optimise the extraction of the Merensky and UG2 orebodies and extend the life of mine at Zondereinde continues. This entails re-configuring the concentrator plants and increasing smelter and base metal removal capacity as well as completing the establishment of mining infrastructure to the 18 (eighteen) level horizon, some 2 300 (two thousand three hundred) metres below surface. The completion of the decline system is expected to cost R150 000 000 (one hundred and fifty million Rand) per annum for the next 5 (five) years.

Booysendal – half year period to 31 December 2014

Northam has developed the shallower Booysendal platinum mine, located near the town of Mashishing on the eastern limb of the Bushveld complex, which has been in commission since 1 July 2013.

Safety

Booysendal again delivered a commendable safety performance during the reporting period despite a slight regression in the safety statistics. The LTIIR was 0.46 (zero point four six) per 200 000 (two hundred thousand) man hours (H1 F2014: 0.35 (zero point three five)) and the RIIR was 0.28 (zero point two eight) per 200 000 (two hundred thousand) man hours worked (H1 F2014: 0.23 (zero point two three)).

Operating performance

The production ramp-up at the Booysendal mine continues as planned. Run of mine production increased by 37.4% (thirty seven point four percent) to 846 116 tonnes (eight hundred and forty six thousand one hundred and sixteen tonnes) (H1 2014: 615 676 tonnes (six hundred and fifteen thousand six hundred and seventy six tonnes)) whilst the tonnage milled increased by 6.8% (six point eight percent) to 929 262 tonnes (nine hundred and twenty nine thousand two hundred and sixty two tonnes) (H1 F2014: 870 072 tonnes (eight hundred and seventy thousand and seventy two tonnes)). The head grade remained constant at 2.6g/t (two point six grams per tonne) owing to the inclusion of lower grade development tonnage in the mill feed. The production of metals in concentrate increased by 15.8% (fifteen point eight percent) to 2 041kg (two thousand and forty one kilograms) (H1 2014: 1 763kg (one thousand seven hundred and sixty three kilograms)) as a result of significantly improved concentrator recoveries.

The total operating cost of the mine for the current period was approximately R531.6 million (five hundred and thirty one point six million Rand) (H1 F2014: R410.5 million (four hundred and ten point five million Rand)). Unit operating and cash costs increased by 4.1% (four point one percent) to R310 998/kg (three hundred and ten thousand nine hundred and ninety eight Rand per kilogram) (H1 F2014: R298 684 /kg (two hundred and ninety eight thousand six hundred and eighty four Rand per kilogram)) and R255 613/kg (two hundred and fifty five thousand six hundred and thirteen Rand per kilogram) (H1 F2014: R230 911/kg (two hundred and thirty thousand nine hundred and eleven Rand per kilogram)) respectively.

The H1 F2015 unit costs have been positively influenced by the supplementation of mill feed by tonnage from the surface stockpile and are therefore not necessarily representative of the costs at steady state.

Employee relations

There were no labour relations disruptions at Booysendal during the reporting period.

Operational optimisation

The feasibility of mining Merensky ore at Booysendal mine is being investigated. Site work has commenced on a box-cut to extract a bulk sample of Merensky ore to conduct metallurgical test work and to also examine the feasibility of mining the Merensky reef using mechanised methods.

OTHER ASSETS

Northam had an 80% (eighty percent) shareholding in NCP at 30 June 2014, the Group has acquired a further 20% (twenty percent) of NCP for R50 000 000 (fifty million Rand) effective 1 August 2014, bringing its total holding to 100% (one hundred percent).

EXTRACT OF NORTHAM GUARANTEE

This annexure 4 sets out an extract of the terms and conditions of the Northam Guarantee.

"

1. *PARTIES*

1.1 *The parties to this Guarantee are:*

1.1.1 *Northam Platinum Limited;*

1.1.2 *the Agent;*

1.1.3 *Zambezi Platinum Limited (RF); and*

1.1.4 *the Holders and Beneficiaries of the Subject Preference Shares from time to time.*

1.2 *The Parties agree as set out below.*

2. *INTERPRETATION*

2.1 *In this Guarantee, unless the context indicates a contrary intention, capitalised words and terms shall bear the meanings ascribed thereto in the Preference Share Terms and the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:*

2.1.1 *"**Actual Redemption Date**" means, in relation to a Subject Preference Share and provided that the Company has paid all the Preference Dividends in respect of that Subject Preference Share, the date on which the Company redeems that Subject Preference Share in accordance with the Preference Share Terms;*

2.1.2 *"**Agent**" shall bear the meaning ascribed thereto in the Agency Agreement, being the agent appointed pursuant to the Preference Share Terms (who will represent the Holders and the Beneficiaries in their dealings with the Company arising in respect of the Subject Preference Shares);*

2.1.3 *"**Authority**" means any court or any governmental, intergovernmental or supranational body, agency, department or any regulatory, self-regulatory or other authority;*

2.1.4 *"**Beneficiary**" means, in relation to each Subject Preference Share, the owner of that Subject Preference Share as reflected in the records of the applicable Programme Participant provided that, for purposes of a Post-Redemption Claim, "**Beneficiary**" shall include a person who was, as at the Actual Redemption Date, the holder of the relevant Subject Preference Shares as reflected in the records of the applicable Programme Participant;*

2.1.5 *"**Change Event**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.6 *"**Change of Control**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.7 *"**Companies Act**" means the Companies Act, No. 71 of 2008;*

2.1.8 *"**Company**" means Zambezi Platinum Limited (RF), registration number 2014/106927/06, a company incorporated in accordance with the laws of the Republic of South Africa;*

2.1.9 *"**Company Trigger Event**" means each Company Trigger Event as defined in the Preference Share Terms (which are certain events which, if they occur, will entitle the N Shareholder and, failing the N Shareholder, the Holders, to require the Company to redeem the outstanding Subject Preference Shares);*

2.1.10 *"**Dividends Exemption Provisions**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.11 *"**Final Judgement**" means any judgment by any court of competent jurisdiction if that judgment (i) is not subject to appeal, or (ii) is subject to appeal but the period for the institution of such an appeal has passed and no appeal has been instituted;*

2.1.12 *"**Financial Markets Act**" means the Financial Markets Act, No. 19 of 2012;*

2.1.13 *"**Gross-Up Amount**" means such aggregate additional amount as may be necessary to ensure that the Holders and the Beneficiaries are put in the same net after-tax position as that in which they would have been had the Company performed fully and timeously in accordance with the provisions of the Preference Share Terms and on account of the Subject Preference Shares;*

2.1.14 *"**Guarantee**" means the Guarantee contained in this document;*

2.1.15 *"**Guarantee Claim**" means any claim made by the Agent (on behalf of the Holders and the Beneficiaries) in terms of clause 6.3;*

2.1.16 *"**Guarantor**" means Northam Platinum Limited, registration number 1977/003282/06, a public company incorporated in accordance with the laws of the Republic of South Africa;*

2.1.17 *"**Holder**" means, in relation to a Subject Preference Share, its registered Holder as reflected in the Company's share register provided that, for purposes of a Post-Redemption Claim, "**Holder**" shall include a person who was, as at the Actual Redemption Date, the holder of the relevant Subject Preference Shares as reflected in the Company's share register;*

2.1.18 *"**Holder Redemption Notice**" means a Holder Redemption Notice as defined in the Preference Share Terms (which, if a Trigger Event occurs, is a notice delivered by the Agent to the Company in which the Agent requires the Company to redeem the outstanding Subject Preference Shares);*

2.1.19 *"**Issue Date**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.20 *"**JSE**" means the stock exchange operated and managed by the JSE Limited, a public company duly incorporated in accordance with the laws of South Africa with registration number 2005/022939/06, and licensed as an exchange in terms of the Financial Markets Act;*

2.1.21 *"**Ordinary Share**" means an ordinary share in the authorised share capital of the Company, having no par value;*

2.1.22 *"**N Redemption Notice**" means an N Redemption Notice as defined in the Preference Share Terms (which, if a Company Trigger Event occurs, is a notice delivered by the N Shareholder to the Company in which the N Shareholder requires the Company to redeem the outstanding Subject Preference Shares);*

2.1.23 *"**N Share**" means a share in the Company's share capital which confers the rights and privileges set out in the N Share Terms on the N Shareholder;*

2.1.24 *"**N Shareholder**" means the holder of the N Share from time to time (as reflected in the Company's share register);*

2.1.25 *"**N Share Terms**" means the rights and privileges which attach to the N Share, as contained in annexure "**2**" of the Company's Memorandum of Incorporation;*

2.1.26 *"**Normal Tax**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.27 *"**Northam Shares**" means ordinary shares of no par value in the Guarantor's share capital;*

2.1.28 *"**Northam Trigger Event**" means each Northam Trigger Event as defined in the Preference Share Terms (which are certain events which, if they occur, will entitle the Holders to require the Company to redeem the Subject Preference Shares);*

2.1.29 *"**Participant**" means a participant in the central securities depository, as defined in the Financial Markets Act;*

2.1.30 *"**Parties**" means the parties listed in clause 1.1;*

2.1.31 *"**Post-Redemption Claim**" means any claim made by a Holder or Beneficiary in terms of clause 6.5;*

2.1.32 *"**Preference Dividends**" means the Preference Dividends as defined in the Preference Share Terms (which are the dividends to which the Subject Preference Shares will become entitled);*

2.1.33 *"**Preference Share**" means a cumulative, redeemable, non-participating no par value preference share in the Company's share capital which confers, on its Holder, the rights, obligations and privileges set out in the Preference Share Terms;*

2.1.34 *"**Preference Share Terms**" means the rights, obligations and privileges which attach to the Subject Preference Shares, as contained in annexure "**1**" of the Company's Memorandum of Incorporation;*

2.1.35 *"**Programme Participant**" means each Participant who holds any Subject Preference Share in custody for the Beneficiary thereof;*

2.1.36 *"**Redemption Amount**" means, in relation to each Subject Preference Share, its Redemption Price as defined in the Preference Share Terms (which is the amount that will become payable by the Company to the Holder of the applicable Preference Share on its redemption);*

2.1.37 *"**Required Majority**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.38 *"**SARS**" means the South African Revenue Service;*

2.1.39 *"**Scheduled Redemption Date**" shall have the meaning ascribed thereto in the Preference Share Terms;*

2.1.40 *"**Subject Preference Shares**" means 159,905,453 (one hundred and fifty nine million nine hundred and five thousand four hundred and fifty three) Preference Shares (which the Company will issue in the circumstances described in clause 3);*

2.1.41 *"**Tax**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.42 *"**Tax Act**" means the Income Tax Act, No. 58 of 1962, as amended from time to time;*

2.1.43 *"**Tax Reference Date**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.44 *"**Taxing Exceptions**" shall bear the meaning ascribed thereto in the Preference Share Terms;*

2.1.45 *"**10 Day VWAP**" means, as at any day, the volume weighted average traded price at which a Northam Share traded on the JSE for the 10 (ten) Trading Days immediately succeeding that day, as published by INET BFA or, if INET BFA should cease to publish such information, then such information published by any equivalent reputable agency nominated by the Agent, provided that in the determination of that volume weighted average trade price, transactions that are not concluded through the trading systems of the JSE, but which are nevertheless settled through the JSE's settlement systems, shall be disregarded;*

2.1.46 *"**Trading Days**" means any day on which trading takes place on the JSE; and*

2.1.47 *"**Trigger Events**" means the Company Trigger Events and the Northam Trigger Events.*

2.2 *In this Guarantee:*

2.2.1 *clause headings and the heading of this Guarantee are for convenience only and are not to be used in its interpretation;*

2.2.2 *an expression which denotes:*

2.2.2.1 *any gender includes the other genders;*

2.2.2.2 *a natural person includes a juristic person and vice versa;*

2.2.2.3 *the singular includes the plural and vice versa; and*

2.2.2.4 *a Party includes a reference to that Party's successors in title and assigns allowed at law.*

2.3 *Any reference in this Guarantee to:*

2.3.1 *"**business hours**" shall be construed as being the hours between 08h30 and 17h00 on any business day. Any reference to time shall be based upon South African Standard Time;*

2.3.2 *"**days**" shall be construed as calendar days unless qualified by the word "business", in which instance a "business day" will be any day other than a Saturday, Sunday or public holiday as gazetted by the government of the Republic of South Africa from time to time;*

2.3.3 *"**tax**" means all present or future income tax, capital gains tax, secondary tax on companies, dividend tax, value-added tax, value extraction tax, securities transfer tax, stamp duties, uncertificated securities tax, levies, assessments, imposts, deductions, charges and withholdings whatsoever in terms of any tax legislation, and includes all penalties, fines, additional tax or interest payable as a consequence of any failure or delay in paying any taxes imposed other than as a result of any negligent act or omission on the part of Holders or Beneficiaries, including as a result of any fault or delay in paying taxes;*

2.3.4 *"**law**" means any law (including statutory, common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order, other legislative measure, requirement, request or guideline (whether or not having the force of law but, if not having the force of law, is generally complied with by the persons to whom it is addressed or applied) of any government, supranational, local government, statutory or regulatory or self-regulatory or similar body or authority or court and the common law, as amended, replaced, re-enacted, restated or reinterpreted from time to time; and*

2.3.5 *"**person**" means any person, company, close corporation, trust, partnership or other entity whether or not having separate legal personality.*

2.4 *The words "**include**" and "**including**" mean "include without limitation" and "including without limitation". The use of the words "**include**" and "**including**" followed by a specific example or examples shall not be construed as limiting the meaning of the general wording preceding it.*

2.5 Any substantive provision, conferring rights or imposing obligations on a Party and appearing *in any of the definitions in this Guarantee or clause 2 or elsewhere in this Guarantee, shall be given effect to as if it were a substantive provision in the body of the Guarantee.*

2.6 *Words and expressions defined in any clause shall, unless the application of any such word or expression is specifically limited to that clause, bear the meaning assigned to such word or expression throughout this Guarantee.*

2.7 *Unless otherwise provided, defined terms appearing in this Guarantee in title case shall be given their meaning as defined, while the same terms appearing in lower case shall be interpreted in accordance with their plain English meaning.*

2.8 *A reference to any statutory enactment or agreement shall be construed as a reference to that enactment as at the Signature Date and as amended or substituted from time to time.*

2.9 *Unless specifically otherwise provided, any number of days prescribed shall be determined by excluding the first and including the last day or, where the last day falls on a day that is not a business day, the immediately succeeding business day.*

2.10 *If the due date for performance of any obligation in terms of this Guarantee is a day which is not a business day then (unless otherwise stipulated) the due date for performance of the relevant obligation shall be the immediately preceding business day.*

2.11 *Where figures are referred to in numerals and in words, and there is any conflict between the two, the words shall prevail, unless the context indicates a contrary intention.*

2.12 *The rule of construction that this Guarantee shall be interpreted against the Party responsible thereof, shall not apply.*

2.13 *No provision of this Guarantee shall (unless otherwise stipulated) constitute a stipulation for the benefit of any person (stipulatio alteri) who is not a Party to this Guarantee.*

2.14 *Any reference in this Guarantee to "**this Guarantee**" or any other document shall be construed as a reference to this Guarantee or, as the case may be, such other document, as amended, varied, novated or supplemented from time to time.*

2.15 *In this Guarantee the words "**clause**" or "**clauses**" and "**schedule**" or "**schedules**" refer to the clauses of and schedules to this Guarantee.*

3. ***RECORDAL***

3.1 *The Company concluded:*

3.1.1 *a written agreement headed "Subscription and Relationship Agreement" with the Guarantor on 21 October 2014 in terms of which the Company agreed to subscribe for 112 195 122 (one hundred and twelve million, one hundred and ninety five thousand one hundred and twenty two) Northam Shares at R41 (forty one Rand) per share ("**Subscription Agreement**"); and*

3.1.2 *a written agreement headed "Sale of Shares Agreement" with the Guarantor and the Public Investment Corporation SOC Ltd. ("**PIC**") on 16 October 2014 in terms of which the Company agreed to purchase 47 710 331 (forty seven million, seven hundred and ten thousand three hundred and thirty one) Northam Shares from PIC at a price of R41 (forty one Rand) per share.*

3.2 *The Company will issue the Subject Preference Shares and will use the proceeds of the Subject Preference Shares in order to pay:*

3.2.1 *the subscription price that will become payable by it to the Guarantor for the applicable Northam Shares; and*

3.2.2 *the purchase price that will become payable by it to PIC for the applicable Northam Shares.*

3.3 *The Guarantor has agreed to guarantee the payment of all amounts which the Company will contract to pay to the Holders and Beneficiaries by issuing the Subject Preference Shares.*

4. ***CONDITION PRECEDENT***

4.1 *Save for clauses 1 and 2, this clause 4 and clauses 10 to 13, all of which will become effective immediately, this Guarantee is subject to the fulfilment of the condition precedent that by not later than 17h00 on 1 June 2015 the Subscription Agreement (as envisaged in clause 3.1.1) is entered into and such agreement becomes unconditionally operative in accordance with its terms, save in respect of any condition requiring that this Guarantee become unconditional ("**Condition Precedent**").*

4.2 *The Condition Precedent is not capable of being waived.*

4.3 *Unless the Condition Precedent has been fulfilled by not later than the date for fulfilment thereof set out in clause 4.1 (or such later date or dates as may be agreed in writing between the Parties) the provisions of this Guarantee, save for clauses 1 and 2, this clause 4 and clauses 10 to 13, which will remain of full force and effect, will never become of any force or effect and the status quo ante will be restored as near as may be and no Parties will have any claim against the others in terms hereof or arising from the failure of the Condition Precedent.*

5. ***GUARANTEE***

Guarantee and indemnity

5.1 *The Guarantor irrevocably and unconditionally, as principal obligor, and not merely as surety, and on the basis of a severable and discrete obligation enforceable against the Guarantor, guarantees to each Holder and each Beneficiary:*

5.1.1 *payment of all amounts which, by issuing the Subject Preference Shares on the Preference Share Terms, the Company will contract or is obliged to pay to the Holders and the Beneficiaries (notwithstanding that any such amount cannot be paid by the Company due to legal restrictions such as restrictions under the Companies Act relating to payments to shareholders) arising under or in connection with the Subject Preference Shares and the Preference Share Terms, including all the Preference Dividends and all the Redemption Amounts together with the Gross-Up Amount; and*

5.1.2 *that if any obligation guaranteed by it under the Guarantee is or becomes void, voidable, unenforceable, ineffective, invalid or illegal for any reason whatsoever, it will indemnify each Holder and each Beneficiary against any cost, loss or liability it incurs as a result* *of the Company not paying any amount which would, but for such voidness, voidability, unenforceability, ineffectiveness, invalidity or illegality, have been payable or scheduled, expressed, required or contracted to be paid by the Company under the Preference Share Terms and on account of the Subject Preference Shares on the date when it would have been due or scheduled, required or contracted to be paid. The amount of that loss, liability or cost shall be equal to the amount of capital and dividends which the Holders and the Beneficiaries would otherwise have been entitled to recover under the Preference Share Terms and on account of the Preference Shares, which amount the Guarantor hereby undertakes to pay to the Holders and the Beneficiaries together with the Gross-Up Amount.*

5.2 *The Guarantor hereby, in addition, and without prejudice to the provisions of clauses 5.1.1 and 5.1.2, indemnifies each Holder and each Beneficiary and undertakes to hold each Holder and each Beneficiary harmless on first demand, against any loss, expense, liability or cost suffered by a Holder or a Beneficiary (excluding any indirect or consequential damages) if:*

5.2.1 *any payment is not made by the Company in accordance with the Preference Share Terms or if any obligation is not punctually performed or discharged by the Company in accordance with the Preference Share Terms (notwithstanding that any such amount cannot be paid by the Company due to legal restrictions such as restrictions under the Companies Act relating to payments to shareholders); or*

5.2.2 *any indebtedness, payment obligation or other obligation of the Company guaranteed by the Guarantor in terms of this Guarantee is:*

5.2.2.1 *entirely, partially or conditionally suspended for the duration of business rescue proceedings;*

5.2.2.2 *entirely, partially or conditionally cancelled on an application to court pursuant to business rescue proceedings;*

5.2.2.3 *compromised or discharged in whole or part pursuant to the adoption of a business rescue plan;*

5.2.2.4 *compromised in terms of section 155 of the Companies Act; or*

5.2.2.5 *becomes unenforceable, invalid or illegal for any reason whatsoever,*

and, in such circumstances, the Guarantor shall pay to such Holder or Beneficiary the amount which the Holder or Beneficiary would otherwise have been entitled to recover together with the Gross-Up Amount.

Continuing Guarantee

5.3 *This Guarantee is a continuing guarantee and will extend to the ultimate balance of sums which the Company contracts to pay the Holders and the Beneficiaries of the Subject Preference Shares under the Preference Share Terms, regardless of any intermediate payment or discharge in whole or in part.*

Stipulatio alteri

5.4 *This Guarantee is intended to constitute a stipulation for the benefit of the Holders and the Beneficiaries. Each:*

5.4.1 *Holder shall ipso facto be deemed to have accepted the benefits of this Guarantee and agreed to be bound by the provisions of this Guarantee, in respect of each Subject Preference Share held by it from time to time, on the registration of that Subject Preference Share in its name in the Company's share register; and*

5.4.2 *Beneficiary shall ipso facto be deemed to have accepted the benefits of this Guarantee and agreed to be bound by the provisions of this Guarantee, in respect of each Subject Preference Share beneficially owned by it from time to time, on the appointment of a Programme Participant by him to hold that Subject Preference Share in custody on his behalf.*

6. *PROCEDURE*

No Direct Claims

6.1 *Any claim made by any Holder or any Beneficiary under this Guarantee, whether that claim is made pursuant to clause 5.1.1 or clause 5.1.2, shall be made through the Agent and in accordance with the procedure contained in this clause 6.*

6.2 *No Holder and no Beneficiary shall have any right to claim, under this Guarantee, other than in accordance with the procedure contained in this clause 6 and in particular, but without limitation, no Holder and no Beneficiary shall be entitled to enforce its claims under this Guarantee directly against the Guarantor.*

Procedure

6.3 *If:*

6.3.1 *a Trigger Event occurs or the Company fails to redeem all the Preference Shares on the Scheduled Redemption Date;*

6.3.2 *the N Shareholder has delivered an N Redemption Notice or the Agent has delivered a Holder Redemption Notice; and*

6.3.3 *the Company has failed to (i) settle all the Preference Dividends in respect of all the outstanding Subject Preference Shares in accordance with the Preference Share Terms and/or (ii) redeem the outstanding Subject Preference Shares in full in accordance with the Preference Share Terms, by the date 2 (two) business days after the delivery of the N Redemption Notice or the Holder Redemption Notice (as the case may be),*

*the Agent shall, as soon as reasonably possible thereafter, deliver written notice (a "**Guarantee Claim**") to the Guarantor in which the Agent shall set out (i) the amount of the Preference Dividends that the Company has failed to pay to the Holders; (ii) the outstanding Redemption Amounts in respect of the outstanding Subject Preference Shares; and (iii) in the event that the Guarantor elects to settle the outstanding Redemption Amounts and/or outstanding Preference Dividends by way of the issue of Northam Shares (whether partly or in full as envisaged in clauses 7.1.1.2, 7.1.1.3, 7.1.2.2 or 7.1.2.3, as the case may be), (a) whether any one or more of the Holders have nominated a person/s to receive such Northam Shares and if so, full details of such Holders and their respective nominees and (b) details of any one or more of the Holders or Beneficiaries that are subject to the restrictions envisaged in clause 7.5 and full details thereof.*

6.4 *After the delivery of the first Guarantee Claim, the Agent shall be entitled to deliver further Guarantee Claims in accordance with the provisions of clause 6.3, provided that no further Guarantee Claim may be delivered after the 1st (first) anniversary of the delivery of the relevant N Redemption Notice or Holder Redemption Notice, as the case may be.*

6.5 *If:*

6.5.1 *any Holder or Beneficiary who has, prior to or after the Actual Redemption Date of the Subject Preference Shares held by him (i) been assessed by SARS in respect of any Preference Dividends on the basis that those Preference Dividends are subject to the Normal Tax as a result of the application of the provisions of the Tax Act as at the Tax Reference Date (other than as a result of a contention by SARS to the effect that the Dividends Exemption Provisions do not apply to the applicable Holder or Beneficiary as a result of anything done or omitted to be done by that Holder or Beneficiary or as a result of the fact that any of the Taxing Exceptions apply to that Holder or Beneficiary), and (ii) instituted proceedings in a court of competent jurisdiction against SARS in which the Holder or Beneficiary contends that the assessment levied by SARS is incorrect (and that the applicable Preference Dividends are not subject to the Normal Tax);*

6.5.2 *SARS has obtained a Final Judgement against that Holder or Beneficiary by the date 2 (two) years after the applicable Actual Redemption Date;*

6.5.3 *that Holder or Beneficiary has claimed payment from the Company of additional Preference Dividends in respect of the Subject Preference Shares held by him in accordance with the tax gross-up provisions of the Preference Share Terms as a result of a Change Event after the Actual Redemption Date; and*

6.5.4 *the Company has failed to settle the additional Preference Dividends in accordance with the tax gross-up provisions of the Preference Share Terms in respect of the Subject Preference Shares held by that Holder or Beneficiary, by the date 2 (two) business days after the delivery of a written demand from the Holder or Beneficiary,*

*that Holder or Beneficiary shall be entitled to, within 90 (ninety) days of the Final Judgement, deliver a written notice (a "**Post-Redemption Claim**") to the Guarantor in which the Holder or Beneficiary shall set out (i) the amount of the additional Preference Dividends that the Company has failed to settle in accordance with the tax gross-up provisions of the Preference Share Terms in respect of the Subject Preference Shares held by that Holder or Beneficiary, (ii) in the event that the Guarantor elects to settle the outstanding Preference Dividends by way of the issue of Northam Shares (whether partly or in full as envisaged in clause 7.3 as read with clause 7.1.1.2 or 7.1.1.3, as the case may be), (a) whether the Holder or Beneficiary wishes to nominate a person/s to receive such Northam Shares and if so, full details of the nominee and (b) if the Holder or Beneficiary is subject to the restrictions envisaged in clause 7.5, full details thereof.*

Gross-up

6.6 *If the Guarantor is compelled by law to make any deduction or withholding from any sum payable under this Guarantee to any Holder or Beneficiary, the sum so payable by the Guarantor shall be increased so as to result in the receipt by the applicable Holder or Beneficiary of a net amount equal to the full amount expressed to be payable under this Guarantee.*

7. *SETTLEMENT*

7.1 *The Guarantor shall, subject to clause 7.6, by the date 12 (twelve) business days after receipt by it of a Guarantee Claim:*

7.1.1 *settle all the outstanding Preference Dividends in respect of all the outstanding Subject Preference Shares to the Holders by, at its election:*

7.1.1.1 *paying all the outstanding Preference Dividends in respect of all the outstanding Subject Preference Shares to the Holders in cash; or*

7.1.1.2 *subject to clause 7.5, settling all the outstanding Preference Dividends in respect of all the outstanding Subject Preference Shares to the Holders by:*

7.1.1.2.1 *issuing to the Holders (or their nominees as envisaged in clause 6.3) such number of Northam Shares as is determined in accordance with the following formula, subject to such rounding down as may be reasonably determined by the Agent in writing:*

$a = b \div c$

in which formula

a = *the number of Northam Shares to be issued to the Holder of the outstanding Subject Preference Shares;*

b = *the outstanding Preference Dividends of the applicable Subject Preference Shares; and*

c = *95% (ninety five percent) of the 10 Day VWAP of 1 (one) Northam Share on the date on which the relevant Guarantee Claim is delivered to the Guarantor; and*

7.1.1.2.2 *paying the balance, if any, in cash; or*

7.1.1.3 *subject to clause 7.5, settling part of the outstanding Preference Dividends in respect of all the outstanding Subject Preference Shares by making a cash payment to the Holders of the Subject Preference Shares and settling the balance by issuing to the Holders (or their nominees as envisaged in clause 6.3) such a number of Northam Shares as is determined in accordance with the following* *formula, subject to such rounding down as may be reasonably determined by the Agent in writing:*

a = b ÷ c

in which formula

a = *the number of Northam Shares to be issued to the Holder of the outstanding Subject Preference Shares;*

b = *the outstanding Preference Dividends of the applicable Subject Preference Shares less that portion of the Preference Dividends that will be settled in cash; and*

c = *95% (ninety five percent) of the 10 Day VWAP of 1 (one) Northam Share on the date on which the the relevant Guarantee Claim is delivered to the Guarantor; and*

7.1.2 *settle all the outstanding Redemption Amounts in respect of all the outstanding Subject Preference Shares to the Holders by, at its election:*

7.1.2.1 *paying all the outstanding Redemption Amounts in respect of all the outstanding Subject Preference Shares to the Holders in cash; or*

7.1.2.2 *subject to clause 7.5, settling all the outstanding Redemption Amounts in respect of all the outstanding Subject Preference Shares to the Holders by:*

7.1.2.2.1 *issuing to the Holders (or their nominees as envisaged in clause 6.3) such a number of Northam Shares as is determined in accordance with the following formula, subject to such rounding down as may be reasonably determined by the Agent in writing:*

a = b ÷ c

in which formula

a = *the number of Northam Shares to be issued to the Holder of the outstanding Subject Preference Shares;*

b = *the Redemption Amounts of the applicable Subject Preference Shares; and*

c = *95% (ninety five percent) of the 10 Day VWAP of 1 (one) Northam Share on the date on which the relevant Guarantee Claim is delivered to the Guarantor,*

7.1.2.2.2 *and paying the balance, if any, in cash; or*

7.1.2.3 *subject to clause 7.5, settling part of the outstanding Redemption Amounts in respect of all the outstanding Subject Preference Shares by making a cash payment to the Holders of the Subject Preference Shares and settling the balance by issuing to the Holders (or their nominees as envisaged in clause 6.3) such a number of Northam Shares as is determined in accordance with the following formula, subject to such rounding down as may be reasonably determined by the Agent in writing:*

a = b ÷ c

in which formula

a = *the number of Northam Shares to be issued to the Holder of the outstanding Subject Preference Shares;*

b = *the outstanding Redemption Amount of the applicable Subject Preference Shares less that portion of the Redemption Amount that will be settled in cash; and*

c = *95% (ninety five percent) of the 10 Day VWAP of 1 (one) Northam Share on the date on which the relevant Guarantee Claim is delivered to the Guarantor.*

7.2 *Once the Guarantor has (i) settled the outstanding Preference Dividends in respect of all the outstanding Subject Preference Shares to the Holders in accordance with clause 7.1.1 or clause 7.3, and (ii) settled the outstanding Redemption Amount of the outstanding Subject Preference Shares to the Holders in accordance with clause 7.1.2, the Guarantor shall have no further liability of any nature whatsoever to either the Holders or the Beneficiaries under this Guarantee.*

7.3 *The Guarantor shall, subject to clause 7.6, by the date 12 (twelve) business days after receipt by it of a Post-Redemption Claim, settle all the outstanding Preference Dividends that the Company has failed to settle in accordance with the tax gross-up provisions of the Preference Share Terms in respect of the Subject Preference Shares held by the relevant Holder or Beneficiary, mutatis mutandis in accordance with clause 7.1.1 save that the 10 Day VWAP shall be reckoned on the date on which the Post-Redemption Claim is delivered to the Guarantor.*

7.4 *The entitlement of the Guarantor to settle all or any portion of the outstanding Preference Dividends and all or any portion of the outstanding Redemption Amounts by issuing Northam Shares to the Holders or Beneficiaries shall be subject to:*

7.4.1 *such Northam Shares being listed on the JSE at the time of issue thereof and such listing not having been suspended from trading on the JSE for more than 5 (five) consecutive Trading Days (other than as a result of a general suspension of shares on the JSE) immediately prior to the issue thereof; and*

7.4.2 *a delisting of the Northam Shares not having been proposed to the shareholders of the Guarantor or a Change of Control not having occurred as at the time of issue thereof.*

Holder / Beneficiary Restrictions

7.5 *If the Guarantor elects to settle (i) the outstanding Preference Dividends (partly or in full) through the issue of Northam Shares in accordance with clause 7.1.1.2, 7.1.1.3 or 7.3 and/or (ii) the outstanding Redemption Amounts (partly or in full) through the issue of Northam Shares in accordance with clause 7.1.2.2 or 7.1.2.3, then to the extent that the issuing of such Northam Shares by the Guarantor to a particular Holder or, in the case of a Holder that is a Programme Participant, the transfer of such Northam Shares by a Holder to a Beneficiary will:*

7.5.1 *require the prior approval or consent of any Authority in terms of any law; or*

7.5.2 *result in the relevant Holder or Beneficiary being required to make a mandatory offer to the remaining holders of Northam Shares in accordance with the takeover provisions of the Companies Act (or similar provisions in any applicable law after the Signature Date),*

as set out in the Guarantee Claim, the Guarantor shall be obliged to settle the outstanding Preference Dividends and/or the outstanding Redemption Amounts, as the case may be, in respect of the relevant number of outstanding Subject Preference Shares held by such Holder or Beneficiary in cash (in order to avoid the application of clauses 7.5.1 and 7.5.2) and the outstanding Preference Dividends and/or the outstanding Redemption Amount (as the case may be) in respect of the balance of the Subject Preference Shares held by the Holder or Beneficiary through the issue of Northam Shares in accordance with clauses 7.1.1.2, 7.1.1.3 or 7.3 and/or clauses 7.1.2.2 or 7.1.2.3, as the case may be.

Dispute

7.6 *The Guarantor shall be entitled to dispute the correctness of any Guarantee Claim or Post-Redemption Claim by giving written notice to such effect to the Agent within 1 (one) business day of receipt thereof, failing which the Guarantee Claim or Post-Redemption Claim, as the case may be, shall be final and binding. If the Guarantor timeously disputes the correctness of any Guarantee Claim or Post-Redemption Claim:*

7.6.1 *the matter shall be referred to a firm of auditors nominated by the Agent from any one of the 4 (four) largest auditing firms in South Africa (by reference to the number of partners) ("**Independent Auditors**") who shall determine (i) the outstanding Preference Dividends in respect of all the outstanding Subject Preference Shares, (ii) the outstanding Redemption Amounts in respect of all the outstanding Subject Preference Shares, and (iii) the number of shares that the Guarantor is entitled to issue to the Holders in settlement of those outstanding Redemption Amounts;*

7.6.2 *the Independent Auditors shall act as experts and not as arbitrators and shall be entitled to (i) adopt such a procedure as they may deem appropriate, (ii) rely on such evidence of such persons as they may deem appropriate, and (iii) make a ruling in regard to the payment of their costs, failing which their costs shall be paid by the unsuccessful party, and the auditors' ruling shall, in the absence of manifest error, be final and binding; and*

7.6.3 *the Guarantor's obligation to comply with the disputed portion of any Guarantee Claim shall be postponed to the business day after the day on which the Independent Auditors make their ruling known to the Guarantor.*

8. *TRANSFER OF PREFERENCE SHARES TO THE GUARANTOR*

8.1 *If the Guarantor settles a Guarantee Claim in accordance with clause 7.1, each Holder shall, within 2 (two) business days of receipt by it of such settlement, transfer the outstanding Subject Preference Shares held by it to the Guarantor and each Holder shall be entitled to recover, from the Guarantor, any securities transfer tax that becomes payable by it as a result of such transfer.*

8.2 *If a Holder fails to comply with the provisions of clause 8.1, then in order to give effect to the transfer of the outstanding Subject Preference Shares held by it to the Guarantor:*

8.2.1 *each Holder hereby nominates the Agent as its authorised agent with full power of substitution and with full power and authority, in its name, place and stead, to do all such things and sign all such documents as may be required to dematerialise the Subject Preference Shares and give effect to such transfer; and*

8.2.2 *the Agent undertakes in favour of the Guarantor to do all such things and sign all such documents on behalf of the Holders as may be required to give effect to such transfer.*

9. *MISCELLANEOUS PROVISIONS*

Additional Security

9.1 *This Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or from time to time in the future held by any Holder or any Beneficiary.*

Reinstatement

9.2 *If:*

9.2.1 *the Company makes any payment to any Holder on account of any Subject Preference Share including, but without limitation, any Preference Dividends and any Redemption Amount; and*

9.2.2 *that payment is subsequently set aside for any reason whatsoever including, but without limitation, as a result of (i) the insolvency, liquidation or winding up of the Company, (ii) the commencement of business rescue proceedings in respect of the Company, and (iii) any failure by the Company to comply with the provisions of section 46 of the Companies Act prior to the making of such payment,*

the liability of the Guarantor under this Guarantee shall be determined as if the applicable payment had not been made.

Waiver of Defences

9.3 *The Guarantor's obligations under this Guarantee shall not be reduced, released or prejudiced by, any act, omission, matter or thing which would otherwise result in such a reduction, release or prejudice (other than the settlement of a Guarantee Claim or a Post-Redemption Claim) including, but without limitation:*

9.3.1 *any time, waiver or consent granted by the Holders to the Company;*

9.3.2 *any composition or arrangement with the Company agreed to by the Holders;*

9.3.3 *any failure by any Holder or any Beneficiary to enforce any other security that it may hold for the contractual undertakings given to it by the Company in terms of the Preference Share Terms;*

9.3.4 *any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Company;*

9.3.5 *any amendment to the Preference Share Terms, provided that the Guarantor has consented to such amendment in writing;*

9.3.6 *any temporary extinction of indebtedness;*

9.3.7 *any release or alteration or variation or novation of any agreement or any other security which any Holder or any Beneficiary may hold with respect to any agreement;*

9.3.8 *the recovery of any judgment against the Company or any action to enforce the same;*

9.3.9 *the liquidation or restructuring of the Company;*

9.3.10 *the commencement of business rescue proceedings in respect of the Company, the appointment of a business rescue practitioner or similar official for all or any part of the assets of the Company or the adoption or implementation of a business rescue plan in respect of the Company;*

9.3.11 *any unenforceability, illegality, invalidity, suspension or cancellation of any of the Company's contractual obligations as contained in the Preference Share Terms; or*

9.3.12 *any other fact or circumstance on which the Guarantor might otherwise be entitled to rely as a defence based on prejudice, waiver or estoppel.*

10. *WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS*

10.1 *Each warranty, representation and undertaking set out in this clause 10 shall be a separate warranty, representation and undertaking and shall in no way be limited or restricted by reference to or inference from the terms of any other warranty, representation and undertaking.*

10.2 *The Guarantor acknowledges that it makes the representations and gives the warranties and undertakings in this Guarantee with the intention of inducing the Agent to enter into this Guarantee and that the Agent is entering into this Guarantee on the basis of, and in full reliance on, each such warranty, representation and undertaking.*

10.3 *The warranties, representations and undertakings set out below shall be continuing and shall be deemed to be repeated until the date upon which the Guarantor's obligations under this Guarantee are discharged.*

10.4 *The Guarantor hereby warrants to and in favour of the Holders and the Beneficiaries that:*

10.4.1 *it is a company duly incorporated and registered in accordance with the laws of South Africa;*

10.4.2 *it has the power and authority to enter into and perform its obligations in terms of this Guarantee and the transactions contemplated hereby and has taken all necessary action to authorise the entry into and performance of this Guarantee and the transactions contemplated hereby in accordance with its terms;*

10.4.3 *this Guarantee constitutes legal, valid and binding obligations on the Guarantor in accordance with its terms;*

10.4.4 *the Guarantor has a material interest in securing the Company's obligations under the Preference Share Terms as set out in this Guarantee;*

10.4.5 *the entry into and performance by the Guarantor of its obligations in terms of this Guarantee and the transactions contemplated hereby do not:*

10.4.5.1 *conflict with any law or regulation or any official or judicial order;*

10.4.5.2 *conflict with its constitutional documents;*

10.4.5.3 *cause any borrowing, guaranteeing, negative pledge or other limitation on it, or the powers of the directors or other officers of it, to be exceeded;*

10.4.5.4 *allow a person to accelerate or cancel an obligation with respect to any indebtedness;*

10.4.5.5 *conflict with any agreement or document to which it is a party or which is binding upon it or any of its assets; or*

10.4.5.6 *save as contemplated in this Guarantee, result in the creation or imposition of (or enforceability of) any encumbrance on any of its assets or the provisions of any agreement or document.*

10.4.6 *the assets of the Guarantor, fairly valued, exceed its liabilities; and*

10.4.7 *the Guarantor's payment obligations under this Guarantee rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.*

11. *APPLICABLE LAW AND JURISDICTION*

11.1 *This Guarantee will in all respects be governed by and construed under the laws of the Republic of South Africa.*

11.2 *Subject to clause 7.6, the Parties hereby consent and submit to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg in any dispute arising from or in connection with this Guarantee.*

12. *GENERAL*

12.1 ***Whole Agreement***

12.1.1 *This Guarantee constitutes the whole of the agreement between the Parties relating to the matters dealt with herein and, save to the extent otherwise provided herein, no undertaking, representation, term or condition relating to the subject matter of this Guarantee not incorporated in this Guarantee shall be binding on any of the Parties.*

12.1.2 *This Guarantee supersedes and replaces any and all agreements between the Parties (and other persons, as may be applicable) and undertakings given to or on behalf of the Parties (and other persons, as may be applicable) in relation to the subject matter hereof.*

12.2 ***Variations to be in Writing***

No addition to or variation, deletion, or agreed cancellation of all or any clauses or provisions of this Guarantee will be of any force or effect unless in writing and signed by the Guarantor, the Company and the Agent (authorised thereto by the applicable Required Majority).

12.3 ***No Indulgences***

No latitude, extension of time or other indulgence which may be given or allowed by any Party to any other Party in respect of the performance of any obligation hereunder, and no delay or forbearance in the enforcement of any right of any Party arising from this Guarantee and no single or partial exercise of any right by any Party under this Guarantee, shall in any circumstances be construed to be an implied consent or election by such Party or operate as a waiver or a novation of or otherwise affect any of that Party's rights in terms of or arising from this Guarantee or estop or preclude any such Party from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof. Failure or delay on the part of any Party in exercising any right, power or privilege under this Guarantee will not constitute or be deemed to be a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12.4 ***No Waiver or Suspension of Rights***

No waiver, suspension or postponement by any Party of any right arising out of or in connection with this Guarantee shall be of any force or effect unless in writing and signed by such Party. Any such waiver, suspension or postponement will be effective only in the specific instance and for the purpose given.

12.5 ***Provisions Severable***

All provisions and the various clauses of this Guarantee are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other. Any provision or clause of this Guarantee which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as pro non scripto and the remaining provisions and clauses of this Guarantee shall remain of full force and effect. The Parties declare that it is their intention that this Guarantee would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

12.6 ***Continuing Effectiveness of Certain Provisions***

The expiration or termination of this Guarantee shall not affect such of the provisions of this Guarantee as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

12.7 ***No Assignment***

Neither this Guarantee nor any part, share or interest herein nor any rights or obligations hereunder may be ceded, delegated or assigned by any Party without the prior signed written consent of the others, save as otherwise provided herein.

12.8 ***No Cession***

No Holder and no Beneficiary shall be entitled to cede its rights under this Guarantee to any person, whether on an out-and-out basis or as security for any obligation.

13. *SIGNATURE*

13.1 *This Guarantee is signed by the Parties on the dates and at the places indicated below.*

13.2 *This Guarantee may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.*

13.3 *The persons signing this Guarantee in a representative capacity warrant their authority to do so.*

13.4 *The Parties record that it is not required for this Guarantee to be valid and enforceable that a Party shall initial the pages of this Guarantee and/or have its signature of this Guarantee verified by a witness."*

FINANCIAL INFORMATION REQUIRED IN TERMS OF REGULATION 77

In terms of Regulation 77 of the Companies Act, this annexure includes the historical profits of Northam for the preceding three financial years being 30 June 2014, 30 June 2013 and 30 June 2012 and its statement of financial position as at 31 December 2014.

These summarised income statements have been extracted from the published audited annual financial statements of Northam for each of the years presented. The statement of financial position has been extracted from the published reviewed interim financial statements for 31 December 2014.

Extract from the statement of profit or loss and other comprehensive income of Northam:

	30 June 2014 (R'000)	30 June 2013 (R'000)	30 June 2012 (R'000)
Revenue	5 477 558	4 510 475	3 811 747
Profit before tax	45 796	697 055	452 585
Profit for the year	19 597	528 001	310 512
Total comprehensive income for the year	18 270	523 856	300 644
Total comprehensive income attributable to:			
Owners of the parent	8 159	500 762	300 644
Non-controlling interests	10 111	23 094	–

Extract from the statement of financial position of Northam:

	31 December 2014 (R'000)
ASSETS	
Non-current assets	**12 892 826**
Property, plant and equipment	6 440 526
Mining properties and mineral resources	5 642 503
Interest in associate and joint ventures	495 275
Unlisted investment	6
Land and township development	9 522
Long-term receivables	91 692
Restoration Trust Fund	47 397
Environmental Guarantee Investment	52 884
Buttonshope Conservancy Trust	10 859
Deferred tax asset	102 162
Current assets	**1 915 014**
Inventories	1 107 533
Trade and other receivables	557 609
Cash and cash equivalents	241 991
South African Revenue Services	7 881
Total assets	**14 807 840**
EQUITY AND LIABILITIES	
Equity	
Stated capital	9 178 688
Retained earnings	2 530 928
Share of other comprehensive income from associate	(17 508)
Total equity	**11 692 108**
Liabilities	
Non-current liabilities	**2 130 476**
Deferred tax liability	528 529
Long-term provisions	148 747
Long-term loans	41 867
Long-term share-based payment liability	41 333
Domestic medium-term notes	1 370 000
Current liabilities	**985 256**
Current portion of long-term loans	3 801
Short-term share-based payment liability	45 607
Revolving credit facilities	–
Bank overdraft	6 207
South African Revenue Service	110 488
Trade and other payables	691 010
Short-term provisions	128 143
Total liabilities	**3 115 732**
Total equity and liabilities	**14 807 840**

REPORT BY THE AUDITORS IN TERMS OF REGULATION 77

"The Directors

Zambezi Platinum Limited (RF)
1A Albury Park
Magalieszicht Avenue
Dunkeld West
2196
Johannesburg
South Africa

24 March 2015

AUDITORS REPORT ON THE SUMMARY FINANCIAL STATEMENTS OF NORTHAM PLATINUM LIMITED IN TERMS OF REGULATION 77 OF THE COMPANIES ACT

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2014 and the summary income statement for the years ended 30 June 2014, 30 June 2013 and 30 June 2012, are derived from the audited annual financial statements of Northam Platinum Limited for the years ended 30 June 2014, 2013 and 2012 for the income statements, and reviewed interim financial statements for 31 December 2014 for the statement of financial position. We expressed an unmodified audit opinion on those annual financial statements and an unmodified review opinion on the interim financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the preparation of the audited annual financial statements and reviewed interim financial statements of Northam Platinum Limited. Reading the summary financial statements, therefore, is not a substitute for reading the audited annual financial statements and reviewed interim financial statements of Northam Platinum.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Management is responsible for the preparation of a summary of the audited annual financial statements and reviewed interim financial statements on the basis described in annexure 5.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

OPINION

In our opinion, the summary financial statements derived from the audited annual financial statements and reviewed interim financial statements of Northam Platinum Limited for the year ended 30 June 2014, 2013 and 2012, and the period ended 31 December 2014 are consistent, in all material respects, with those financial statements, on the basis described in annexure 5.

ERNST & YOUNG INC.

Mike Herbst
Director
Registered Auditors"

REPORT BY THE AUDITORS IN TERMS OF REGULATION 79

"The Directors

Zambezi Platinum Limited
1A Albury Park,
Magalieszicht Avenue,
Dunkeld West, 2196
Johannesburg

16 March 2015

Dear Sirs,

REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF ZAMBEZI PLATINUM LIMITED OF FACTUAL FINDINGS

SCOPE

We have performed the procedures agreed with you and described below with respect to the inclusion of historical financial information of Zambezi Platinum Limited ('the Company') in the prospectus. Our engagement was undertaken in accordance with International Standard on Related Services applicable to agreed-upon procedures engagements. The responsibility for determining the adequacy or otherwise of the procedures to be performed is that of the directors.

We have agreed to perform the following procedures and report to you the factual findings resulting from our work.

1. Agree the registration date to the incorporation certificate
2. Enquire from the directors whether the company had a financial year and financial statements

We confirm that we are the duly appointed auditors of the Company.

FINDINGS

We report our findings below:

1. The company registration document from CIPC state an incorporation date of 2 June 2014.
2. Management confirmed verbally that there have not been transactions in the company and therefore no financial statements exist.

Because the above procedures do not constitute either an audit or a review made in accordance with statements of International Standards on Auditing and International Standards on Review Engagements we do not express any assurance on the findings.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing and International Standards on Review Engagement, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set out in the first paragraph of this report and for your information, and is not to be used for any other purpose.

ERNST & YOUNG INC.

Mike Herbst
Director
Registered Auditor"

EXPERT'S REPORT ON NORTHAM'S MINING ASSETS

The information relating to Northam's estimated mineral resources and reserves set out in this annexure has been extracted without material adjustment from the Mineral Resource and Reserve statement of Northam's annual report for the year ended 30 June 2014. The Mineral Resource and Reserve statement was prepared by the lead competent persons being Mr C van Jaarsveld, Mr M Mqadi, Mr W Theron and Mr D Smith, who are duly registered with The Engineering Council of South Africa (ECSA; Private Bag X691, Bruma, 2026, South Africa; www.ecsa.co.za) and/or with the South African Council for Natural Scientific Professions (SACNASP; Private Bag X540, Silverton, 0127, South Africa; www.sacnasp.org.za). Further details on these individuals can be found under Part A in the "Competent persons" paragraph.

PART A

Mineral reserve and resource statement 2014

Resources and reserves reflected in this statement are reported on a Northam attributable basis, and include those which are either from properties that are wholly owned by Northam or its wholly owned subsidiaries, or joint venture properties in which Northam holds a stake.

Mineral resources are reported inclusive of mineral reserves.

Scope of reporting

Resources and reserves reflected in this statement include those from the following properties:

- Zondereinde, the company's wholly-owned PGM mine, located in the Thabazimbi area of the Limpopo province and within the northern portion of the western limb of the Bushveld Complex. This includes both the Zondereinde and Middeldrift portions of the property;
- Booysendal, 100% owned by Northam's wholly-owned Subsidiary, Micawber 278 Proprietary Limited (Micawber) and situated in the southern portion of the eastern limb of the Bushveld Complex;
- Dwaalkop, located in the northern portion of the eastern limb of the Bushveld Complex, and in which Northam holds a 50% stake through its wholly-owned Subsidiary Mvelaphanda Resources. Dwaalkop is managed by Lonmin plc (Lonmin);
- Pandora, located in the Brits area of North-West province and within the southern portion of the western limb of the Bushveld Complex, and in which Northam holds a 7.5% stake. Pandora is managed by Lonmin.

Key points and significant revisions from last year

- An increase in the Measured UG2 reef resource at Booysendal UG2 North mine, owing to reduction in geological losses informed by ongoing mine mapping, sampling and exploration drilling programs.
- A material increase in the Total UG2 reef reserve at Booysendal UG2 North mine, following the implementation of an amended mining layout, with reduced mining pillar losses.

Regulatory compliance

The mineral resource and mineral reserve statements for Northam Platinum Limited have been prepared under the guidance of the company's Lead Competent Persons who are duly registered with the South African Council for Professional and Technical Surveyors (PLATO) and/or with the South African Council for Natural Scientific Professions (SACNASP). This ensures that the mineral resource and mineral reserve statements comply with the provisions of the South African Code for Reporting of Mineral Resources and Mineral Reserves of 2007, revised in 2009 (SAMREC 2009). The company's competent persons have taken cognisance of definitions included in the code. The mineral resource and mineral reserve quantities reported here are considered to be fully compliant in all material respects with the requirements of the code, and the lead competent persons have given written confirmation of such.

Definitions of the various mineral resource and mineral reserve categories as well as the requirements for reporting of exploration results may be found at: www.samcode.co.za/downloads/SAMREC2009.pdf.

Status of mineral rights

Resources reflected in this statement include those of the Zondereinde and Booysendal concessions which are wholly owned by Northam or its wholly owned subsidiaries. In addition, Northam holds a 7.5 % stake in the Pandora joint venture and a 50 % stake in the Dwaalkop joint venture, both of which are managed by Lonmin, through its subsidiaries, Eastern Platinum Limited, and Western Platinum Limited respectively.

Northam holds new order mining rights over both the Zondereinde and Booysendal mines.

The Pandora mine operates under a new order mining right which was converted from an old order right in 2013.

The Dwaalkop joint venture holds a new order prospecting right over the Dwaalkop prospect. This right is subject to a renewal application. An application for a new order mining right was submitted in 2009 and is being processed.

Northam further holds eight new order prospecting rights over the Kokerboom prospect, granted in 2009. Kokerboom is an iron oxide copper gold and massive sulphide copper zinc exploration prospect covering some 1 000 000 hectares of the Northern Cape Province of the Republic of South Africa. A prospecting work program is currently in progress and no resource or reserve has yet been estimated.

A summary of mineral rights held and managed by Northam is tabulated below:

Property	Type of right	Status
Zondereinde mine	New order mining right	Converted mining right
Booysendal mine	New order mining right	Converted mining right
Pandora mine	New order mining right	Converted mining right
Dwaalkop prospect	New order prospecting right	Application for a new order mining right in process
Kokerboom prospect	New order prospecting rights	Eight new order prospecting rights granted

Prospecting and mining rights are held in good order, and Northam perceives no risk to its rights to continue prospecting for and mining of minerals over any of its properties.

Continuing operations

The company confirms that it is not aware of any legal or arbitration proceedings, either pending or threatened, which may have or have had a material effect on the financial position of the company and its subsidiaries.

Further to this, the risk management section of the Northam Annual Report 2014 analyses potential risks which may impact the company's ability to continue its activities.

Environmental liabilities

The company's environmental obligations are managed in terms of approved environmental management plans. Compliance with the plans is audited by independent external parties on a regular basis. Details of the environmental liabilities, together with financial statements and details of the funding of the environmental liabilities are contained in the Northam Annual Integrated Report 2014.

Group resources and reserves

The following tables summarise the mineral resources and reserves attributable to Northam for both the current and previous year. Notes on the reporting criteria are pertinent, together with specific notes to this section.

Breakdowns of the mineral resources and reserves into their respective confidence categories may be found in the sections specific to the concessions.

Northam Group resource estimate
(combined measured, indicated and inferred)

		as at 30 June 2014			as at 30 June 2013		
Reef	**Mine**	**Mt**	**4E PGE g/t**	**4E PGE Moz**	**Mt**	**4E PGE g/t**	**4E PGE Moz**
Merensky	Booysendal North	164,90	5,32	28,22	164,90	5,32	28,22
	Booysendal South	90,57	3,54	10,32	90,57	3,54	10,32
	Booysendal UG2 Mine	0,00	0,00	0,00	0,00	0,00	0,00
	Dwaalkop[1]	38,05	2,98	3,64	38,05	2,98	3,64
	Pandora[1]	0,00	0,00	0,00	0,00	0,00	0,00
	Zondereinde	168,12	7,36	39,77	169,09	7,37	40,08
	Total	**461,64**	**5,52**	**81,96**	**462,61**	**5,53**	**82,26**
UG2	Booysendal North	328,77	3,61	38,19	328,77	3,61	38,19
	Booysendal South	208,10	3,10	20,74	208,10	3,10	20,74
	Booysendal UG2 Mine	44,13	4,52	6,41	40,75	4,36	5,71
	Dwaalkop[1]	37,56	4,35	5,25	37,56	4,35	5,25
	Pandora[1]	14,18	4,65	2,12	14,25	4,65	2,13
	Zondereinde	247,16	5,08	40,37	248,35	5,08	40,59
	Total	**879,91**	**4,00**	**113,08**	**877,78**	**3,99**	**112,62**
Combined	Booysendal North	493,67	4,18	66,41	493,67	4,18	66,41
	Booysendal South	298,67	3,23	31,06	298,67	3,23	31,06
	Booysendal UG2 Mine	44,13	4,52	6,41	40,75	4,36	5,71
	Dwaalkop[1]	75,61	3,66	8,90	75,61	3,66	8,90
	Pandora[1]	14,18	4,65	2,12	14,25	4,65	2,13
	Zondereinde	415,29	6,00	80,14	417,45	6,01	80,67
	Total	**1341,55**	**4,52**	**195,04**	**1340,38**	**4,52**	**194,88**

Northam group reserve estimate
(combined proven and probable)

		as at 30 June 2014			as at 30 June 2013		
Reef	**Mine**	**Mt**	**4E PGE g/t**	**4E PGE Moz**	**Mt**	**4E PGE g/t**	**4E PGE Moz**
Merensky	Booysendal North	0,00	0,00	0,00	0,00	0,00	0,00
	Booysendal South	0,00	0,00	0,00	0,00	0,00	0,00
	Booysendal UG2 Mine	0,00	0,00	0,00	0,00	0,00	0,00
	Dwaalkop[1]	13,66	2,61	1,15	13,66	2,61	1,15
	Pandora[1]	0,00	0,00	0,00	0,00	0,00	0,00
	Zondereinde	15,96	5,40	2,77	12,80	5,84	2,40
	Total	**29,62**	**4,12**	**3,92**	**26,46**	**4,17**	**3,55**
UG2	Booysendal North	0,00	0,00	0,00	0,00	0,00	0,00
	Booysendal South	0,00	0,00	0,00	0,00	0,00	0,00
	Booysendal UG2 Mine	44,82	3,00	4,32	33,27	2,96	3,17
	Dwaalkop[1]	16,10	3,30	1,71	16,10	3,30	1,71
	Pandora[1]	1,31	4,11	0,17	1,36	4,02	0,18
	Zondereinde	37,25	4,19	5,02	34,24	4,39	4,83
	Total	**99,47**	**3,51**	**11,22**	**84,97**	**3,62**	**9,88**
Combined	Booysendal North	0,00	0,00	0,00	0,00	0,00	0,00
	Booysendal South	0,00	0,00	0,00	0,00	0,00	0,00
	Booysendal UG2 Mine	44,82	3,00	4,32	33,27	2,96	3,17
	Dwaalkop[1]	29,76	2,98	2,85	29,76	2,98	2,85
	Pandora[1]	1,31	4,11	0,17	1,36	4,02	0,18
	Zondereinde	53,20	4,55	7,79	47,04	4,78	7,23
	Total	**129,09**	**3,65**	**15,14**	**111,42**	**3,75**	**13,43**

[1] *Current resources and reserves of Pandora and Dwaalkop are quoted as at 30 September 2013, while those of the previous year are at 30 September 2012.*

Competent persons

The resource and reserve statement for the Zondereinde and Middeldrift portions of Zondereinde mine were compiled by Charl van Jaarsveld, BSc (Hons) Geology, Pr.Sci.Nat. (400268/05), Chief Geologist at the Zondereinde mine with 11 years' experience relevant to Bushveld-related resource and reserve estimation.

The Booysendal resource statement was compiled by Meshack Mqadi; BSc (Hons) Geology, MGSSA (966985), Chief Geologist at Booysendal UG2 North mine with 6 years' experience relevant to precious metal related resource estimation.

The Booysendal reserve statement was compiled by Willie Theron, BSc (Hons) Mining, Pr. Cert. Eng., ECSA (200790030), General Manager at Booysendal UG2 North mine with 17 years' experience of Bushveld-related underground mining and reserve estimation.

Resource and reserve estimates for both Zondereinde and Booysendal were reviewed by Damian Smith, BSc (Hons) Geology, MSc, Pr.Sci. Nat. (400323/04), principal member of Prospect Geoservices with 24 years' experience in mining and exploration geology, 18 years of which are relevant to Bushveld-related resource and reserve estimation.

The resource and reserve estimates for the Pandora joint venture were prepared by a team from both Anglo Platinum and Lonmin. Resources were signed off by J. Whitley (Lonmin) and P. Stevenson (Anglo Platinum), whilst reserves were signed off by A.A. Brown (Lonmin).

The resource and reserve estimates for the Dwaalkop joint venture were prepared by a team from Snowden Mining Industry Consultants (Resources) and from AMC Consulting (Pty) Limited (Reserves). Resources were signed off by D. Hoffmann (Lonmin), whilst reserves were signed off by A.A. Brown (Lonmin).

Contact details for Northam's lead competent persons authorising publication of the resource estimates are contained within the notes on reporting criteria within this report.

Geological setting – the Bushveld Complex

The 2 billion year old Bushveld Complex is the largest layered igneous complex in the world, and is the repository for around 85% of known global PGM resources. Extending over an area of some 67 000km^2 within the north-eastern portion of the Republic of South Africa, it contains the intrusive, mafic-ultramafic Rustenburg Layered Suite (RLS), which outcrops as three main acicular limbs, namely the western, eastern and northern limbs (see figure 1), and ranges in thickness from 7km to 12km.

The magmatic layering in the RLS is laterally persistent and can be correlated throughout most of the complex. Layering is generally shallow dipping towards the centre of the complex. The RLS stratigraphy is sub-divided into five zones, which are, from lowest to highest; the marginal zone, the lower zone, the critical zone (which is further subdivided into a lower and upper unit), the main zone and the upper zone.

PGM and associated precious and base metal mineralisation is hosted in or adjacent to chromitite seams located within the upper critical zone of the RLS. There are two significant ore bodies from which 75% of global primary PGM production is derived, these being the UG2 and Merensky reefs. The vertical separation between the UG2 and Merensky reefs is variable across the Bushveld Complex, ranging from 20m to 140m on the western limb and between 170m and 400m on the eastern limb.

Historically, PGM production was concentrated on the western limb, but in recent years the eastern limb has been the focus of new mine development.

The two wholly-owned Northam properties, the Zondereinde and Booysendal mines contain resources of both the UG2 and Merensky reefs.

Zondereinde mine

Zondereinde mine is situated in the northern portion of the western limb of the Bushveld Complex, approximately 30km south of the town of Thabazimbi in the Limpopo province of the Republic of South Africa. The mining concession covers some 7 625 hectares underlain by both the Merensky and UG2 ore bodies, which dip at approximately 20˚ and extend from a depth of 1 100 metres below surface to 2 900 metres below surface.

The company exploits both the Merensky and UG2 reefs of the upper critical zone of the Bushveld Complex. While there is lateral continuity of both reefs across the mine property, the Merensky reef displays a variety of reef types. The distribution of these is determined from a combination of surface exploration boreholes, ongoing prospect drilling from underground development and reef mapping in development and stoping. In contrast to the Merensky Reef, the UG2 displays little variation in reef attributes.

The Bushveld sequence at Zondereinde is typical of the northern portion of the western limb. The critical zone stratigraphy is telescoped and dominated by mafic lithologies. Vertical separation between the UG2 and Merensky reefs is in the range of 20m to 40m.

Combined geological and extraction losses were discounted from the resources for both reefs. These comprised pothole and structural losses as well as other pillar losses. Discount losses vary per Merensky reef type and resource category, but average at 33% for Merensky reef and 48% for UG2.

Resource and reserve estimates for Zondereinde mine are summarized in tables 1 & 2. Figure 1 shows the distribution of the various resource classes for both Merensky and UG2 Reefs.

History and Mining Activities

Development of Zondereinde mine started in 1986, following a five year exploration program. Mining of ore, commissioning of a PGM concentrator, smelter and base metal removal plant and the sale of first PGMs came in 1993. The mine originally exploited only the Merensky reef resource, but the commissioning of a UG2 concentrator in 2000, together with the necessary underground ore handling systems, allowed mining and processing of UG2 from this time onwards. The mine produces approximately 2 000 000 tonnes of ore per annum, generating in the order of 300 000 oz of 3PGE+Au in final concentrate together with associated precious and base metal by-products.

Underground mining focuses on the exploitation of PGM ores by means of traditional narrow tabular reef drill and blast mining methods. A standard breast mining layout is used at Northam. The vertical interval (distance) between levels is 63 metres. With the orebody dipping at 20°, this provides a raise length of 180 metres allowing for six panels of 30 metres each per raise connection. Strike gullies are inclined at 10° above the strike direction. A dip gully handles the ore transported via the strike gullies to three orepasses situated in the original raise, all of which are fitted with radial-door control chutes. Ore is transported to the main shaft ore passes by battery powered locomotives (locos) pulling spans of eight hoppers. Broken ore is transported to a conventional shaft ore-pass system, with separate rock handling facilities for Merensky reef, UG2 reef and waste.

Mining is successfully conducted using hydropowered equipment such as rock drills and high pressure water-jets in conjunction with electric scraper winches.

The underground workings are accessed from a twin shaft system. No 1 shaft extends to 13 level (2 039 metres below surface) and No 2 shaft serves workings down to 8 level (1 724 metres below surface). The shafts are 90 metres apart and are interconnected at an intermediate pump chamber (IPC) at 1 019 metres below surface, and also on levels 2, 4, 6, 7, 8 and 9. Workings below 13 level are serviced by a decline access way, designed to accommodate both people and materials, and equipped with a conveyor belt system that transports the broken rock.

Merensky Reef

The Merensky reef is a zone of mineralisation which straddles the base of the Merensky cyclic unit. In the area of Zondereinde mine the Merensky reef consists of two sub-facies of the Zwartklip facies of the RLS, namely the normal and regional pothole sub-facies. The latter may be further subdivided into three reef types, each of which occurs at a specific stratigraphic level below that of the normal reef sub-facies. These being NP2 and P2, which constitute the main sources of ore, and FWP2 which, whilst not considered a primary mining target due to the undulating nature of this reef type, is successfully exploited in the south western quadrant of the current mining area where it displays lesser disruption.

The stoping cut on the Merensky reef is dependent upon the reef type mined, and the geozone in which it is located. In all stoping cuts, the Merensky chromitite is exposed with a minimum of 10cm of the overlying mineralized Merensky pyroxenite as hanging wall.

The measured resource is an estimate of the *in-situ* tonnage, grade and 4E PGM ounces that have been exposed through development and are immediately available for mining. The Merensky measured resource has increased from 2.79 Mt (744 000 oz) in June 2013 to 2.91 Mt (746 000 oz) in June 2014. This is the result of an increase to the exposed Merensky resource, combined with the application of a lower resource grade owing to a higher proportion of moderate grade Normal reef in the deeper portions of the resource block.

The Merensky indicated resource has declined as a result of conversion to the measured category. The Merensky inferred resource is essentially unchanged.

UG2 Reef

The UG2 reef at Zondereinde mine is remarkably conformable when compared with the Merensky reef. Disruption, in the form of potholes and reef rolls, is extremely limited and localised. The reef consists of three chromitite seams separated by narrow pyroxenite partings. The lower seam, termed the main member, is generally in the order of 85cm thick, and is overlain by two leader seams, each in the order of 15cm thick. Total reef thickness, inclusive of a portion of mineralized reef footwall, is in the order of 150cm to 160cm. There is no basis for subdividing the UG2 reef into facies types.

Historically, UG2 mining has been limited to de-stressed areas underlying previously mined Merensky reef. Furthermore, a full reef cut is mined, which enhances metal output, hanging wall stability and safe working practices.

The measured resource is an estimate of the *in situ* tonnage, grade and PGM ounces that have been exposed through development and are immediately available for mining. The UG2 measured resource has decreased from 4.52 Mt (730 000 oz) in June 2013 to 4.26 Mt (689 000 oz) in June 2014. This is the result of a decrease in exposed UG2 resource and is in line with mining depletion and planned development of the UG2 reef. The UG2 indicated resource has declined in line with mining depletion. The UG2 inferred resource is essentially unchanged.

Zondereinde resources and reserves

Table 1: Zondereinde resource estimate

as at 30 June 2014	Mt	4E PGE g/t	4E PGE Moz	as at 30 June 2013	Mt	4E PGE g/t	4E PGE Moz
Merensky Reef				**Merensky Reef**			
Measured	2,91	7,98	0,75	Measured	2,79	8,29	0,74
Indicated	18,70	7,03	4,22	Indicated	19,76	7,09	4,50
Inferred	146,52	7,39	34,80	Inferred	146,54	7,39	34,83
Total	**168,12**	**7,36**	**39,77**	**Total**	**169,09**	**7,37**	**40,08**
UG2 Reef				**UG2 Reef**			
Measured	4,26	5,03	0,69	Measured	4,52	5,04	0,73
Indicated	35,70	5,03	5,77	Indicated	36,64	5,04	5,94
Inferred	207,20	5,09	33,91	Inferred	207,20	5,09	33,92
Total	**247,16**	**5,08**	**40,37**	**Total**	**248,35**	**5,08**	**40,59**
Combined Reefs				**Combined Reefs**			
Measured	7,17	6,23	1,43	Measured	7,31	6,28	1,48
Indicated	54,40	5,71	9,99	Indicated	56,40	5,76	10,44
Inferred	353,72	6,04	68,72	Inferred	353,74	6,05	68,75
Total	**415,29**	**6,00**	**80,14**	**Total**	**417,45**	**6,01**	**80,67**

Table 2: Zondereinde reserve estimate

as at 30 June 2014	Mt	4E PGE g/t	4E PGE Moz	as at 30 June 2013	Mt	4E PGE g/t	4E PGE Moz
Merensky Reef				**Merensky Reef**			
Proven	3,56	5,77	0,66	Proven	3,29	6,14	0,65
Probable	12,40	5,30	2,11	Probable	9,51	5,73	1,75
Total	**15,96**	**5,40**	**2,77**	**Total**	**12,80**	**5,84**	**2,40**
UG2 Reef				**UG2 Reef**			
Proven	4,71	4,19	0,64	Proven	4,78	4,39	0,67
Probable	32,53	4,19	4,38	Probable	29,46	4,39	4,16
Total	**37,25**	**4,19**	**5,02**	**Total**	**34,24**	**4,39**	**4,83**
Combined Reefs				**Combined Reefs**			
Proven	8,27	4,87	1,30	Proven	8,07	5,10	1,32
Probable	44,93	4,50	6,49	Probable	38,97	4,72	5,91
Total	**53,20**	**4,55**	**7,79**	**Total**	**47,04**	**4,78**	**7,23**

prill splits %	Pt	Pd	Rh	Au	Cr2O3%	Cu%	Ni%
UG2	57,7	30,9	10,3	1,0	27,6	0,021	0,123
Merensky	63,0	29,2	5,2	2,6	0,8	0,072	0,164
Combined	60,3	30,1	7,8	1,8	14,3	0,046	0,143

Booysendal mine

The Booysendal concession is located in the southern compartment of the eastern limb of the Bushveld Complex, approximately 35km west of the town of Mashishing (formerly Lydenburg), straddling the border of Limpopo and Mpumalanga provinces in the Republic of South Africa.

The concession covers some 15 151 hectares and hosts both the UG2 and Merensky ore bodies, which outcrop over a strike length of 14.5km and dip at approximately 10˚ to the west.

The resource estimate is informed by exploration data, including 248 boreholes, together with channel sampling from on-reef development within the UG2 North mine. 90% of the exploration drilling was conducted within 2.5km down-dip of outcrop. Drill hole spacing in this near outcrop area ranges from 150m to 400m. Channel samples are located at 15m intervals within on-reef development and stoping.

A study to determine the feasibility of mining UG2 and Merensky reefs within the northern most 8km of Booysendal strike, over a dip extent from outcrop of approximately 2km, was completed in September 2009. Development of a UG2 mine (UG2 North mine) in the northernmost 4km of strike started in May 2010.

The resource estimate for the Booysendal concession is subdivided into three sections, these being the southern section of Booysendal subject, which was subject to a unfulfilled sale transaction in 2013 (Booysendal South); the UG2 North mine; and the remainder of the northern section of the concession (Booysendal North). A mineral reserve estimate is presented for the UG2 North mine only.

The Bushveld sequence at Booysendal is similar to that found across the southern compartment of the eastern limb. The critical zone stratigraphy is fully developed and middling between the UG2 and Merensky reefs is in the order of 175m in the northern portion of Booysendal. The sequence is, however subject to thinning in the southern portion, which is linked to the Bushveld rocks abutting basement highs. The impact of this ‘abutment’ is further manifested in localised zones of disruption to surface morphology and internal structure of the two reefs. This has led to the characterisation of three geozones within the Booysendal concession, these being the normal, slump and abutment geozones. Despite this progressive disruption to the south, the continuity of the reef surfaces is robust across the property.

The internal structure of the UG2 reef is similar to that found on the Bushveld western limb, whilst the Merensky reef is typical of the northern portion of the Bushveld eastern limb.

The UG2 reef consists of an upper leader chromitite and a lower main chromitite with a combined thickness of some 140cm. These seams are generally juxtaposed or merged, but can display variable internal silicate partings.

The Merensky reef is the upper mineralized portion of the Merensky pyroxenite, generally extending over 110cm. The Merensky reef is immediately overlain by a sequence of competent norites.

Resources were estimated over the reef channels. For the UG2 reef, the reef channel extends from the top of the leader chromitite to the base of the main chromitite seam. For the Merensky reef, the reef channel extends from the top of the Merensky pyroxenite to a sample grade cut off of 1g /t, with a minimum mining channel width of 80cm applied.

Geological losses were discounted from the resources for both reefs. These, for the Booysendal North and South sections, comprised known pothole and structural losses, together with assumed pothole losses benchmarked to mean eastern limb losses. They amounted to 23% for the Merensky reef and 24% and 30% for the UG2 in the North and South sections respectively. In the UG2 North mine section, ongoing mining and exploration drilling have improved confidence in known geological losses, leading to the application of 12.5% total geological loss for the UG2 reef. Furthermore, a channel cut-off 4E grade of 2.5g/t was applied to estimated blocks in all three sections. In addition, a 30m thick surface oxidized zone was discounted along the lines of outcrop of both reefs.

Resource categorisation was based upon a combination of quantitative geostatistical parameters, together with a qualitative appreciation of orebody continuity informed by the resource database together with data from surrounding properties.

Mine design and Mining Activities

The UG2 North mine is an underground, mechanised bord and pillar mine, accessed from surface via a ramp decline system, comprising three declines on the plane of reef and one decline situated 20m into the footwall of the reef, containing a belt for ore handling.

Mining sections extend over a dip length of 144m, equating to a vertical interval of 25m. Strike drives are inclined at 5° above the line of strike, strike belts within the drives will transport ore to the central decline system, tipping through an ore pass system to the footwall belt for transport to a UG2 concentrator plant on surface. Mechanised boom rigs and LHDs are employed in mining and development.

The mine is planned with a life of 25 years, to produce 2 250 000 tonnes of ore per annum at steady state, generating in the order of 160 000oz of metals in concentrate (3PGE+Au), together with associated precious and base metal by-products. It is in build-up phase and is expected to reach steady state in October 2015.

Booysendal resources and reserves

The UG2 measured resource for the UG2 North mine has increased from 40.75 Mt (5.71 Moz) in June 2013 to 44.13 Mt (6.41 Moz) in June 2014, as a result of the decrease in geological losses, partially offset by mining depletion.

Merensky and UG2 resources for Booysendal North and South sections remain unchanged.

Conversion of resources to reserves for the UG2 North mine includes a mining pillar loss discount. An amendment to the mining layout, which has been implemented during the reporting period, has led to a 12% decrease in total pillar loss. This, together with a marginal improvement in reserve grade, has resulted in a material increase in total reserves from 33.27 Mt (3.17 Moz) in June 2013 to 44.82 Mt (4.32 Moz) in June 2014.

Resource and reserve estimates for the various sub-divisions of Booysendal mine are summarized in tables 3 to 6. Figure 3 shows the distribution of the various resource classes for both Merensky and UG2 Reefs.

Table 3: Booysendal UG2 North mine resource estimate

	as at 30 June 2014			as at 30 June 2013		
	Mt	4E PGE g/t	4E PGE Moz	Mt	4E PGE g/t	4E PGE Moz
Merensky Reef						
Measured	0,00	0,00	0,00	0,00	0,00	0,00
Indicated	0,00	0,00	0,00	0,00	0,00	0,00
Inferred	0,00	0,00	0,00	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
UG2 Reef						
Measured	44,13	4,52	6,41	40,75	4,36	5,71
Indicated	0,00	0,00	0,00	0,00	0,00	0,00
Inferred	0,00	0,00	0,00	0,00	0,00	0,00
Total	**44,13**	**4,52**	**6,41**	**40,75**	**4,36**	**5,71**
Combined Reefs						
Measured	44,13	4,52	6,41	40,75	4,36	5,71
Indicated	0,00	0,00	0,00	0,00	0,00	0,00
Inferred	0,00	0,00	0,00	0,00	0,00	0,00
Total	**44,13**	**4,52**	**6,41**	**40,75**	**4,36**	**5,71**

Table 4: Booysendal UG2 North mine reserve estimate

	as at 30 June 2014			as at 30 June 2013		
	Mt	4E PGE g/t	4E PGE Moz	Mt	4E PGE g/t	4E PGE Moz
Merensky Reef						
Proven	0,00	0,00	0,00	0,00	0,00	0,00
Probable	0,00	0,00	0,00	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
UG2 Reef						
Proven	44,82	3,00	4,32	33,27	2,96	3,17
Probable	0,00	0,00	0,00	0,00	0,00	0,00
Total	**44,82**	**3,00**	**4,32**	**33,27**	**2,96**	**3,17**
Combined Reefs						
Proven	44,82	3,00	4,32	33,27	2,96	3,17
Probable	0,00	0,00	0,00	0,00	0,00	0,00
Total	**44,82**	**3,00**	**4,32**	**33,27**	**2,96**	**3,17**

prill splits %	Pt	Pd	Rh	Au	Cr2O3%	Cu%	Ni%
UG2	57,3	32,6	9,3	0,8	25,6	0,0078	0,0854
Merensky							

All categories of the Merensky and UG2 resources for Booysendal North and South are unchanged from the previous reporting period.

Table 5: Booysendal North resource estimate

	as at 30 June 2014			as at 30 June 2013		
	Mt	4E PGE g/t	4E PGE Moz	Mt	4E PGE g/t	4E PGE Moz
Merensky Reef						
Measured	33,30	5,37	5,75	33,30	5,37	5,75
Indicated	46,34	5,43	8,08	46,34	5,43	8,08
Inferred	85,26	5,25	14,39	85,26	5,25	14,39
Total	**164,90**	**5,32**	**28,22**	**164,90**	**5,32**	**28,22**
UG2 Reef						
Measured	51,73	3,88	6,45	51,73	3,88	6,45
Indicated	46,23	4,66	6,92	46,23	4,66	6,92
Inferred	230,81	3,34	24,82	230,81	3,34	24,82
Total	**328,77**	**3,61**	**38,19**	**328,77**	**3,61**	**38,19**
Combined Reefs						
Measured	85,03	4,46	12,20	85,03	4,46	12,20
Indicated	92,57	5,04	15,00	92,57	5,04	15,00
Inferred	316,07	3,86	39,21	316,07	3,86	39,21
Total	**493,67**	**4,18**	**66,41**	**493,67**	**4,18**	**66,41**

prill splits %	Pt	Pd	Rh	Au	Cr2O3%	Cu%	Ni%
UG2	56,9	33,7	8,5	0,8	26,7	0,007	0,075
Merensky	59,0	31,0	2,4	7,7	0,8	0,141	0,301

Table 6: Booysendal South resource estimate

	as at 30 June 2014			as at 30 June 2013		
	Mt	4E PGE g/t	4E PGE Moz	Mt	4E PGE g/t	4E PGE Moz
Merensky Reef						
Measured	3,80	2,46	0,30	3,80	2,46	0,30
Indicated	15,97	3,15	1,62	15,97	3,15	1,62
Inferred	70,80	3,69	8,40	70,80	3,69	8,40
Total	**90,57**	**3,54**	**10,32**	**90,57**	**3,54**	**10,32**
UG2 Reef						
Measured	14,60	3,41	1,60	14,60	3,41	1,60
Indicated	52,90	3,43	5,84	52,90	3,43	5,84
Inferred	140,60	2,94	13,30	140,60	2,94	13,30
Total	**208,10**	**3,10**	**20,74**	**208,10**	**3,10**	**20,74**
Combined Reefs						
Measured	18,40	3,21	1,90	18,40	3,21	1,90
Indicated	68,87	3,37	7,46	68,87	3,37	7,46
Inferred	211,40	3,19	21,70	211,40	3,19	21,70
Total	**298,67**	**3,23**	**31,06**	**298,67**	**3,23**	**31,06**

prill splits %	Pt	Pd	Rh	Au	Cr2O3%	Cu%	Ni%
UG2	60,6	28,6	9,5	1,2	26,0	0,010	0,071
Merensky	57,1	33,1	2,6	7,3	0,8	0,096	0,221

Resource and reserve estimates for Pandora mine are summarized in tables 7 and 8. Plans indicating the distribution of the various resource classes for the UG2 Reef at Pandora can be found in the Lonmin Mineral Resource and Mineral Reserve Statements as at September 2013.

Table 7: Pandora resource estimate

	as at 30 June 2014			as at 30 June 2013		
	Mt	**4E PGE g/t**	**4E PGE Moz**	**Mt**	**4E PGE g/t**	**4E PGE Moz**
Merensky Reef						
Measured	0,00	0,00	0,00	0,00	0,00	0,00
Indicated	0,00	0,00	0,00	0,00	0,00	0,00
Inferred	0,00	0,00	0,00	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
UG2 Reef						
Measured	1,94	4,80	0,30	2,00	4,81	0,31
Indicated	10,55	4,61	1,56	10,52	4,61	1,56
Inferred	1,70	4,74	0,26	1,72	4,73	0,26
Total	**14,18**	**4,65**	**2,12**	**14,25**	**4,65**	**2,13**
Combined Reefs						
Measured	1,94	4,80	0,30	2,00	4,81	0,31
Indicated	10,55	4,61	1,56	10,52	4,61	1,56
Inferred	1,70	4,74	0,26	1,72	4,73	0,26
Total	**14,18**	**4,65**	**2,12**	**14,25**	**4,65**	**2,13**

Table 8: Pandora reserve estimate

	as at 30 June 2014			as at 30 June 2013		
	Mt	**4E PGE g/t**	**4E PGE Moz**	**Mt**	**4E PGE g/t**	**4E PGE Moz**
Merensky Reef						
Proven	0,00	0,00	0,00	0,00	0,00	0,00
Probable	0,00	0,00	0,00	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
UG2 Reef						
Proven	0,11	3,81	0,01	0,11	4,30	0,01
Probable	1,21	4,14	0,16	1,25	4,00	0,16
Total	**1,31**	**4,11**	**0,17**	**1,36**	**4,02**	**0,18**
Combined Reefs						
Proven	0,11	3,81	0,01	0,11	4,30	0,01
Probable	1,21	4,14	0,16	1,25	4,00	0,16
Total	**1,31**	**4,11**	**0,17**	**1,36**	**4,02**	**0,18**

prill splits %	Pt	Pd	Rh	Au	Cr2O3%	Cu%	Ni%
UG2	60,6	28	11,1	0,3	no data	0,004	0,024
Merensky							

Resource and reserve estimates for Dwaalkop are summarized in tables 9 & 10. Plans indicating the distribution of the various resource classes for the UG2 Reef at Pandora can be found in the Lonmin Mineral Resource and Mineral Reserve Statements as at September 2013. All categories of the Merensky and UG2 resources and reserves for Dwaalkop are unchanged from the previous reporting period.

Table 9: Dwaalkop resource estimate

	as at 30 September 2013			as at 30 September 2012		
	Mt	**4E PGE g/t**	**4E PGE Moz**	**Mt**	**4E PGE g/t**	**4E PGE Moz**
Merensky Reef						
Measured	0,00	0,00	0,00	0,00	0,00	0,00
Indicated	21,83	2,89	2,03	21,83	2,89	2,03
Inferred	16,22	3,10	1,62	16,22	3,10	1,62
Total	**38,05**	**2,98**	**3,64**	**38,05**	**2,98**	**3,64**
UG2 Reef						
Measured	0,00	0,00	0,00	0,00	0,00	0,00
Indicated	20,85	4,35	2,92	20,85	4,35	2,92
Inferred	16,71	4,35	2,34	16,71	4,35	2,34
Total	**37,56**	**4,35**	**5,25**	**37,56**	**4,35**	**5,25**
Combined Reefs						
Measured	0,00	0,00	0,00	0,00	0,00	0,00
Indicated	42,68	3,60	4,94	42,68	3,60	4,94
Inferred	32,93	3,73	3,95	32,93	3,73	3,95
Total	**75,61**	**3,66**	**8,90**	**75,61**	**3,66**	**8,90**

Table 10: Dwaalkop reserve estimate

	as at 30 September 2013			as at 30 September 2012		
	Mt	**4E PGE g/t**	**4E PGE Moz**	**Mt**	**4E PGE g/t**	**4E PGE Moz**
Merensky Reef						
Proven	0,00	0,00	0,00	0,00	0,00	0,00
Probable	13,66	2,61	1,15	13,66	2,61	1,15
Total	**13,66**	**2,61**	**1,15**	**13,66**	**2,61**	**1,15**
UG2 Reef						
Proven	0,00	0,00	0,00	0,00	0,00	0,00
Probable	16,10	3,30	1,71	16,10	3,30	1,71
Total	**16,10**	**3,30**	**1,71**	**16,10**	**3,30**	**1,71**
Combined Reefs						
Proven	0,00	0,00	0,00	0,00	0,00	0,00
Probable	29,76	2,98	2,85	29,76	2,98	2,85
Total	**29,76**	**2,98**	**2,85**	**29,76**	**2,98**	**2,85**

prill splits %	Pt	Pd	Rh	Au	Cr2O3%	Cu%	Ni%
UG2	47,1	42,8	7,9	2,2	no data	0,090	0,140
Merensky	56,8	31,9	4,2	7,2	no data	0,110	0,170

Notes on reporting criteria

- Mineral resource tonnages and grades for Zondereinde are reported as estimates discounted for geological and mining pillar losses, all other mineral resources are reported as estimates discounted for geological losses
- Mineral resource tonnages and grades are *in situ* estimates inclusive of internal waste dilution, but exclusive of external waste dilution
- PGM grade is expressed as corrected 4E (combined platinum, palladium, rhodium and gold) grade, this being synonymous with 3PGE+Au
- PGM metal splits (platinum, palladium, rhodium and gold) are expressed as percentages of the combined 4E value
- Base metal contents (chromite, copper and nickel) are expressed as weight percentages
- Structural losses, due to faults, dykes and joints, include the volumes of expected bracket pillars required to be placed on such features
- Kriging parameters are applied to discrete mining areas in order to estimate tonnage and metal content
- Kriging parameters are derived from the interrogation of extensive sampling databases
- Rounding of numbers in the tables may result in minor computational discrepancies; where this occurs it is deemed insignificant
- The most reasonable mining width is assumed, based on practical mining conditions. 4E grade, as well as specific gravity are calculated for these widths
- Total mineral resources and reserves attributable to Northam Platinum Limited are listed in the summary tables
- Mineral resources for Pandora and Dwaalkop, reflecting Northam Platinum Limited's 7.5% and 50.0% respective attributable interests, are quoted as at the end of September 2013 and 2012 and are provided by Lonmin PLC
- Measured and indicated mineral resources are reported separately and include those mineral resources modified to produce proven and probable mineral reserves
- Whilst mineral resources are quoted as in-situ resources, all reserves provided by Northam are quoted at run-of-mine (ROM) grades and tonnages as delivered to the concentrator plants on site and are therefore fully diluted
- Mineral reserves for Zondereinde mine are quoted to 16 level (2 228 metres below surface)
- Mineral reserves for Booysendal relate to the first planned mining module, the UG2 North mine
- Mineral reserves for Pandora and Dwaalkop are provided by Lonmin PLC and reflect Lonmin's reserve modifying factors
- All references to tonnage are to the metric unit
- All references to ounces are troy with a conversion factor of 31.103475 used to convert from metric grams to ounces

Contact details for lead competent persons are:

Mr C van Jaarsveld, chief geologist at Zondereinde mine
PO Box 441, Thabazimbi 0380

Mr M Mqadi, chief geologist at Booysendal UG2 North mine

Mr W Theron, general manager at Booysendal UG2 North mine
PO Box 412694, Craighall 2024

Mr D Smith, principal member of Prospect Geoservices
PO Box 37876, Faerie Glen 0043

FIGURES

Figure 1: Bushveld location indicating current PGM mining operations

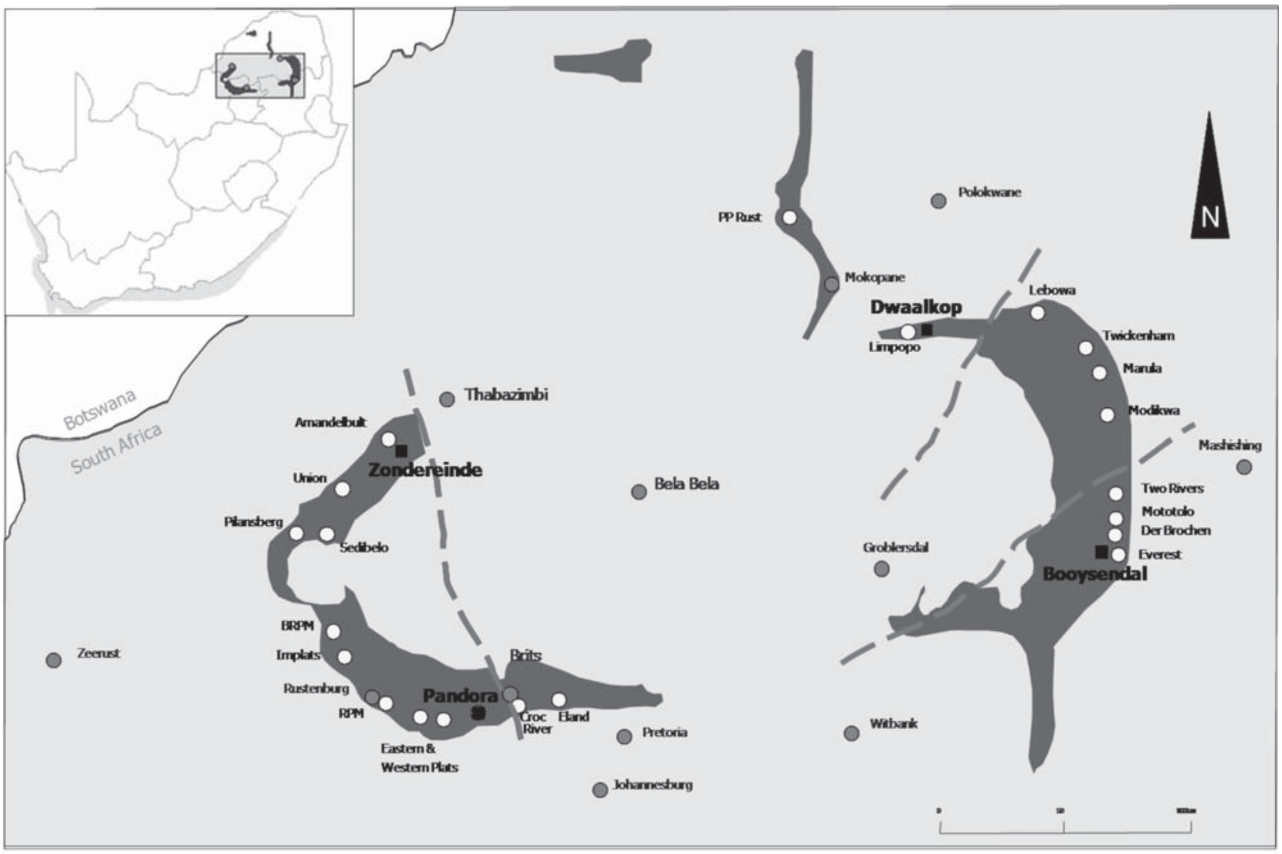
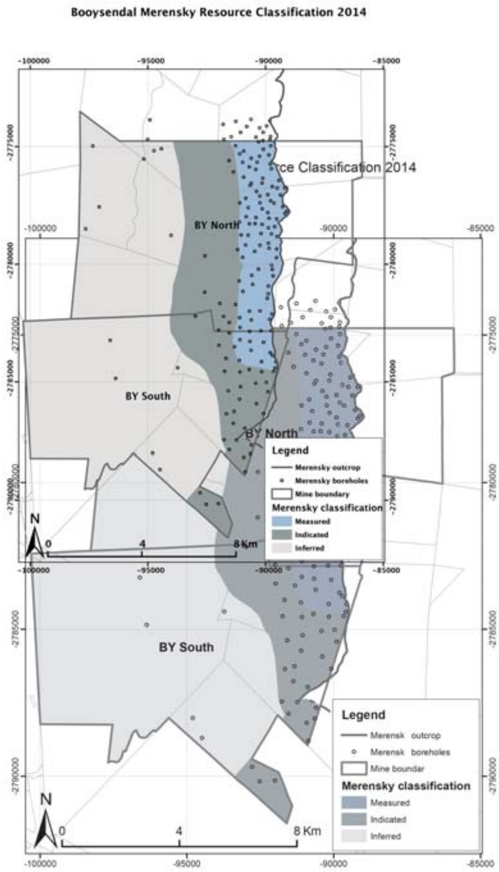
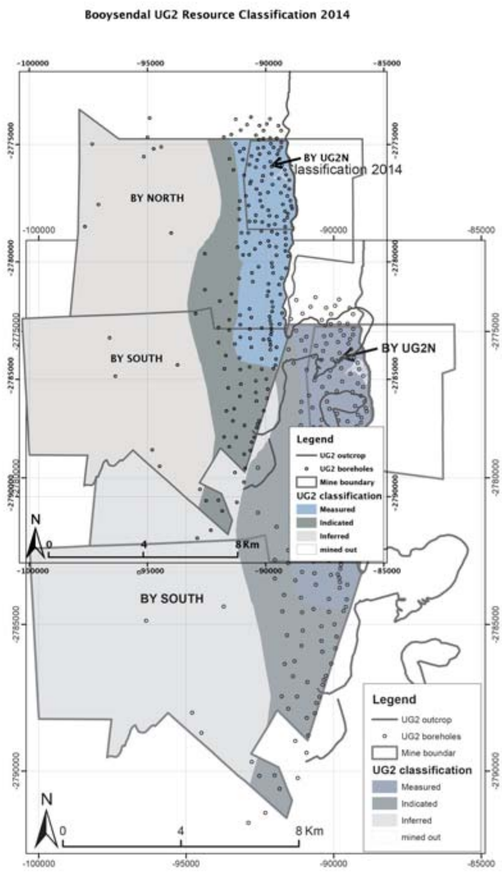


Figure 2: Zondereinde resource class area plans

Figure 3: Booysendal resource class area plans





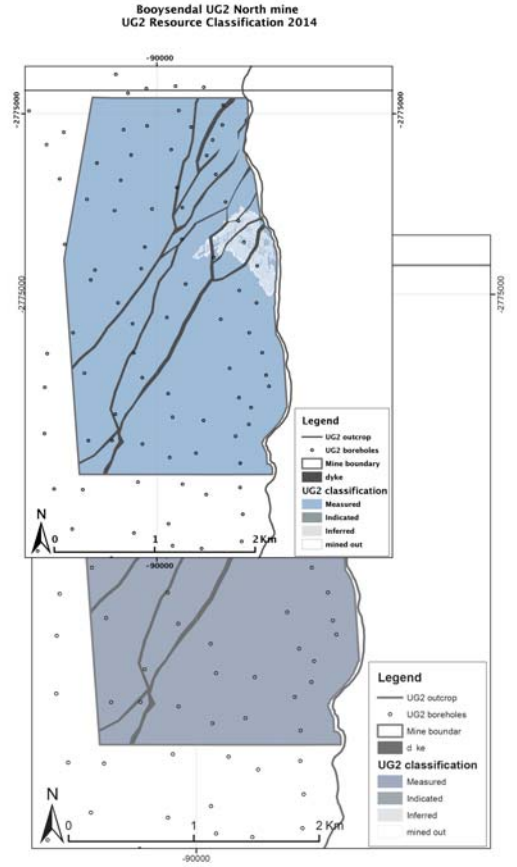


Figure 4: Zondereinde location plan

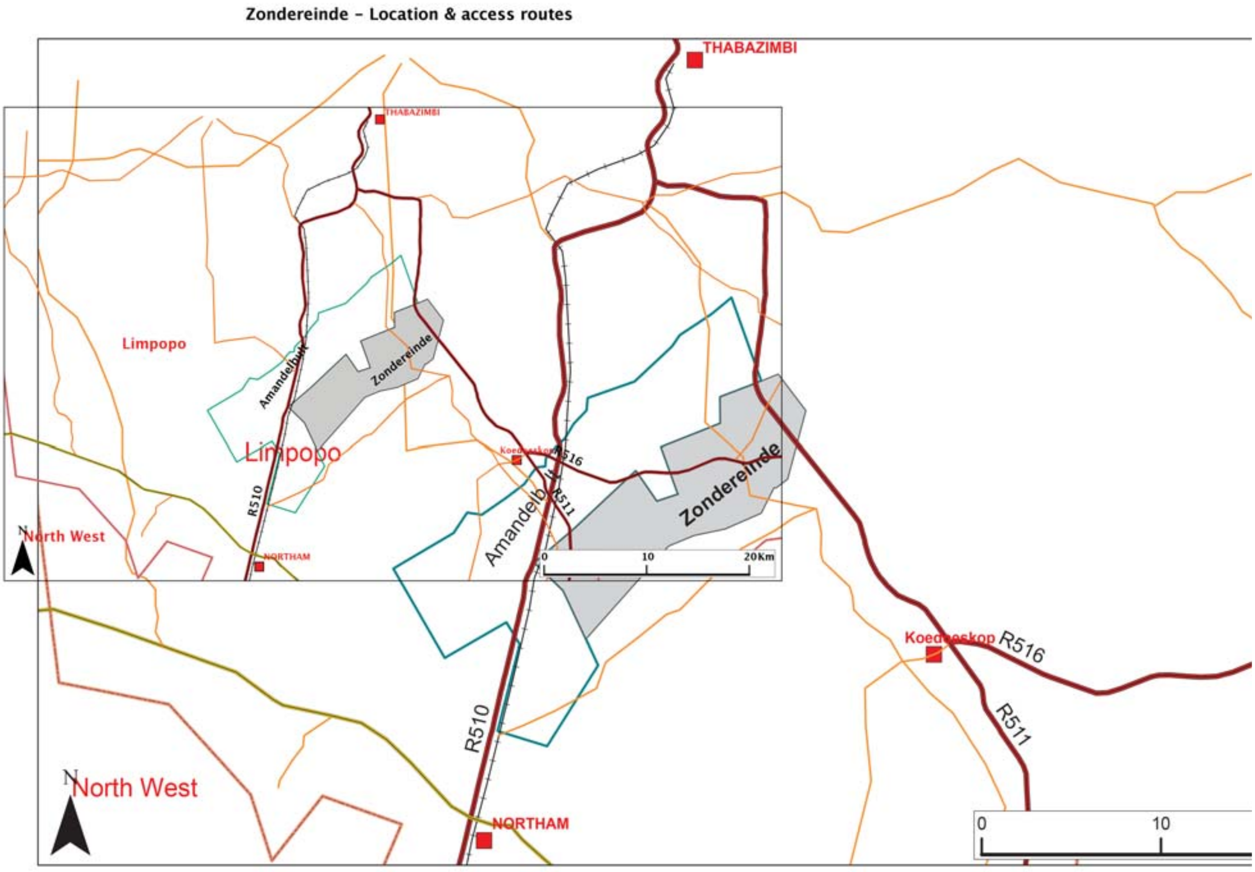
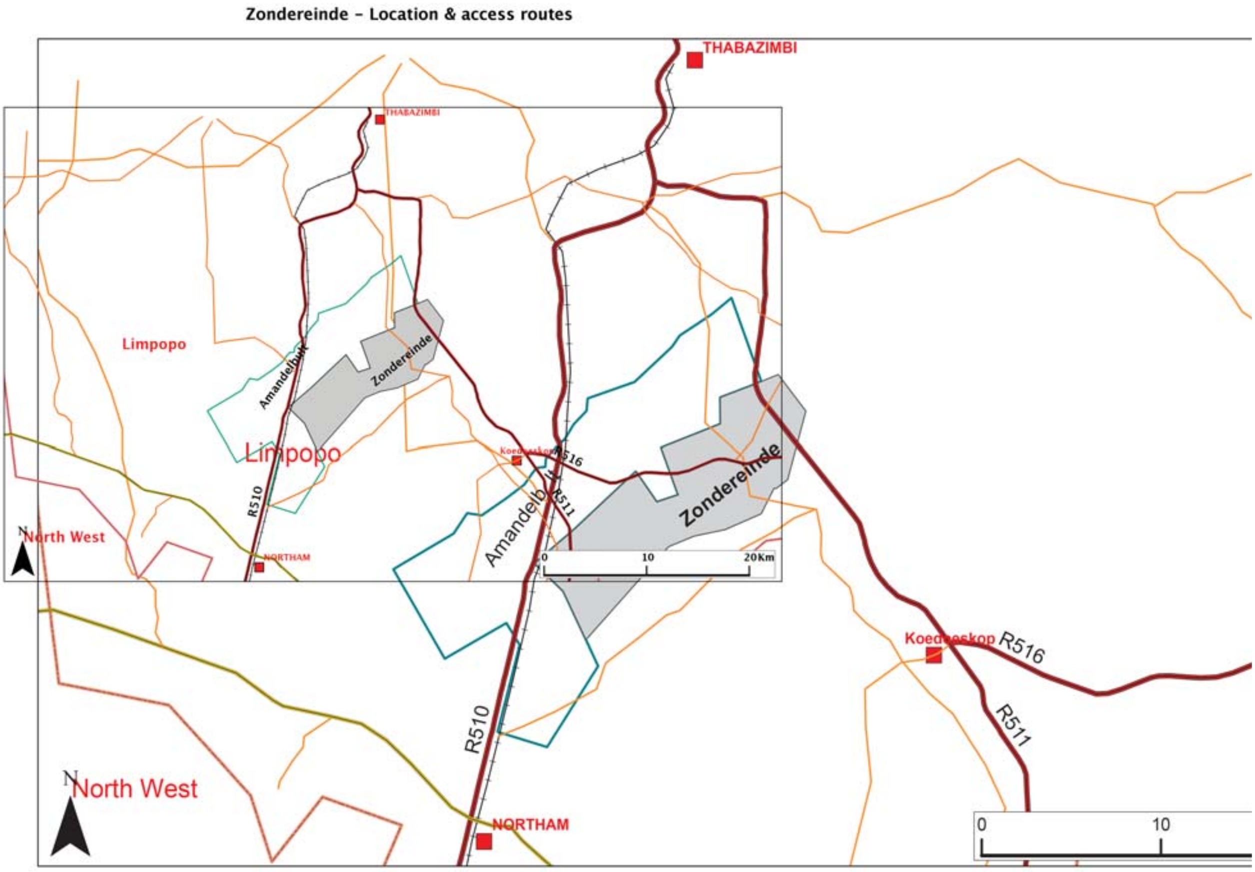


Figure 5: Booysendal location plan



PART B

DETAILS OF MINERAL RIGHTS AND PROPERTIES

MINERAL RIGHTS

Description	Nature of ownership	Name of farm/district	Area (km²)	Cost	Options over right
Zondereinde – New order mining rights MPT 73/2014 MPT 75/2014	Northam	Thabazimbi	76.25	Nil	Nil
Booysendal – new order mining right MPT 114/2010	Booysendal Platinum (Pty) Ltd, a wholly owned Subsidiary of Northam	Steelpoort	151.51	R5.6bn	Nil
Kokerboom – new order prospecting rights NC 1803 NC 1804 SNC 846 PR SNC 848 PR SNC 849 PR SNC 850 PR NC 1766 SNC 844 PR SNC 847 PR SNC 845 PR NC 1767 PR	31% held by Mvelaphanda Resources (Pty) Ltd, a wholly owned Subsidiary of Northam	Buffelinbout 42 a portion of portion 8 a portion of portion 9 a portion of portion 10 Gras-Pan 112 a portion of portion 1 a portion of portion 2 a portion of portion 5 Grenaat Kop 120 whole farm Groot Doornpan 132 portion 1 portion 2 portion 3 portion 4 portion 5 portion 6 portion 7 portion 8 Kaffirs Kolk 118 a portion of portion 1 a portion of portion 3 a portion of the remaining extent Kalkfontein 131 A whole farm Klein-doorn-pan 133 whole farm Markt 41 a portion of portion 2 a portion of portion 4 Naauwe-Kloof 122 portion 1 a portion of portion 3 a portion of portion 6	11039.10	R18m	Nil

Description	Nature of ownership	Name of farm/district	Area (km^2)	Cost	Options over right
		a portion of portion 9 a portion of the remaining extent Roode Draai 134 a portion of portion 3 a portion of portion 4 a portion of portion 5 Uitspan Pan 115 a portion of portion 1 a portion of the remaining extent Eyerdop Pan 58 a portion of portion 1 portion 2 portion 3 portion 4 Farm 63 portion 1 Geitjes Pan 59 portion 1 portion 2 portion 3 portion 4 a portion of remaining extent Geluk Pan 61 (now 239) portion 2 portion 3 portion 4 portion 5 portion 6 portion 7 remaining extent Kareeboom Put 57 a portion of portion 1 a portion of portion 2 portion 3 portion 4 remaining extent Kraanvogel Pan 62 portion 2 portion 3 portion 4 portion 5 Wegsteek-Pan 60 portion 1 portion 2 Blad-Grond North 77 a portion of portion 3 a portion of portion 5 Farm 408 whole farm Farm 409 whole farm Farm 410			

Description	Nature of ownership	Name of farm/district	Area (km²)	Cost	Options over right
		whole farm Narries 7 whole farm Nous East 75 a portion of portion 1 a portion of portion 5 a portion of portion 7 a portion of portion 8 Nous West 76 a portion of portion 1 a portion of portion 2 a portion of portion 4 Skuitdrift 426 whole farm Yas 3 whole farm Albert Louws Vley 132 a portion of the remaining extent Annex Groot Kolk 191 whole farm Barst Vley 192 whole farm Boomen River 243 a portion of portion 1 De Banken 130 whole farm De Tuin Zuid 163 a portion of portion 1 a portion of portion 2 a portion of portion 3 Remaining extent Gans Mond 126 whole farm Groot Kolk 190 whole farm Groot Riet 162 whole farm Haakjes Doorn Kolk 131 portion 1 portions of the remaining extent Klein Zwart Bast 188 whole farm Pyp Klip West 129 whole farm Wit Vlei 103 portion 1 portion 2 portions of the remaining extent Bry – Paal 134 Remaining extent of Portion 1 Portion 3 (portion of portion 1)			

Description	Nature of ownership	Name of farm/district	Area (km^2)	Cost	Options over right
		Remaining extent of Portion 4 Remaining extent of Portion 5 (a portion of portion 4) Portion 6 (a portion of portion 4) Portion 7 (a portion of portion5) Driekop Oost 183 a portion of portion 1 a portion of the remaining extent Kenhardt Town a portion of the whole area Krom Puts 180 whole farm Liefdood 181 whole farm Onder Rugzeer 168 a portion of portion 2 a portion of portion 1 Rooi Berg 375 whole farm Wit Klip 256 whole farm Zwart Puts 182 a portion of portion 1 a portion of the remaining extent Brosdoorns Annex 242 portions of remaining extent portion 1 portion 2 portion 3 De Paarden Vleyen 283 portion 2 a portion of portion 3 portions of remaining extent Farm 383 a portion of remaining extent Farm 384 a portion of remaining extent Hendrik Zyn Puts 240 a portion of portion 2 a portion of portion 3 remaining extent a portion of portion 7 Jagt Kolk 244 a portion of portion 6 Koranna Kolken 284 a portion of portion 4 a portion of portion 6 a portion of portion 8 Loog Kolkjes 195 portion 1 a portion of portion 2			

Description	Nature of ownership	Name of farm/district	Area (km²)	Cost	Options over right
		a portion of portion 3 portion 4 portion 5 a portion of portion 6 a portion of remaining extent De Neus 149 whole farm Houmoed 206 whole farm Klein Houmoed 205 whole farm Nouzees 148 whole farm Samoep 147 portion 1 a portion of remaining extent Sand – Gat 150 a portion of portion 1 a portion of portion 2 a portion of portion 3 Aries 434 whole farm Bak Rivier 357 whole farm Baviaans Krantz 474 whole farm Biesje Poort 471 whole farm Bloemfontein 343 a portion of portion 8 a portion of portion 9 remaining extent Brakbosch Kolk 467 a portion of farm Die Plaas 609 whole farm Enna 436 whole farm Farm 446 whole farm Farm 447 whole farm Farm 448 whole farm Farm 449 whole farm Farm 450 whole farm Farm 470 whole farm Farm 472			

Description	Nature of ownership	Name of farm/district	Area (km²)	Cost	Options over right
		whole farm Farm 476 whole farm Farm 477 whole farm Farm 481 whole farm Farm 482 whole farm Farm 485 whole farm Farm 486 whole farm Farm 496 whole farm Farm 595 whole farm Farm 642 whole farm Gemsbok Hollow 358 whole farm Graaf Water 344 a portion of portion 1 a portion of portion 2 a portion of portion 4 a portion of portion 6 Hakdooren Vlei 428 a portion of remaining extent Kakamas Noord consolidated Klip Kraal 451 a portion of portion 1/remainder Loer Kop 427 a portion of portion 1 a portion of portion 2 a portion of portion 3 a portion of portion 5 a portion of portion 7 a portion of remaining extent Narougas 435 whole farm Olyvenhouts Drift whole farm Omdraai 492 whole farm Omdraai Vlei 359 portion 1 Rooidam 441 whole farm Spieelkop No 637 whole farm			

Description	Nature of ownership	Name of farm/district	Area (km^2)	Cost	Options over right
		Toeslaan West 437 whole farm Waterval 497 portion 1 Zandvlei 433 whole farm Zwaardraai No. 488 whole farm Zwart Boois Berg 475 whole farm Blauwbosch 364 whole farm Christiana 425 a portion of portion 2 remaining extent Hakdooren Vlei 428 Portion 1 Portion 2 Portion 3 a portion of portion 4 remaining extent Hartebeest Vlakte 111 a portion of portion 1 a portion of portion 2 a portion of portion 4 Khorkham 329 portion 1 portion 2 portion 3 portion 6 remaining extent Klein Begin 115 portion 2 a portion of portion 3 a portion of remaining extent Klein Begin 418 a portion of remaining extent Klip Bakken 110 whole farm Loer Kop 427 a portion of portion 1 a portion of portion 3 portion 4 a portion of portion 6 a portion of remaining extent Naauwte 316 a portion of remaining extent Ratel Draai 54 whole farm Rooipoort 315 a portion of portion 2			

Description	Nature of ownership	Name of farm/district	Area (km²)	Cost	Options over right
		a portion of portion 6 a portion of portion 9 a portion of portion 10 a portion of remaining extent Rooiputs 366 a portion of portion 1 a portion of portion 2 portion 3 portion 4 portion 5 a portion of remaining extent Steenkampsputs 365 whole farm Trooilaps Pan 53 a portion of portion 1 a portion of portion 2 a portion of portion 8 a portion of portion 9 portion 10 portion 11 portion 12 a portion of portion 15 a portion of portion 16 a portion of remaining extent Upington Townlands Vaal Koppies 40 portion 3 a portion of portion 4 portion 7 portion 8 portion 27 portion 28 portion 29 portion 30 portion 31 a portion of portion 62 Vreede 368 a portion of portion 2 a portion of remaining extent Zand Ruggens 116 whole farm			

IMMOVABLE MINING PROPERTIES

Description	Nature of ownership	Area (km²)	Cost	Options over property
Zondereinde PGM mine	Northam	76.25	Nil	Nil
Booysendal PGM mine	Booysendal Platinum (Pty) Ltd, a wholly owned Subsidiary of Northam	151.51	R4.2bn	Nil
Pandora PGM mine Joint Venture	7.5% share owned by Northam	46.12	R62.5m	Nil

PART C

PROSPECTS

Booysendal mine

Mining Prospects

A study to determine the feasibility of mining UG2 and Merensky reefs within the northernmost 8km of the Booysendal strike, over a dip extent from outcrop of approximately 2km, was completed in September 2009.

Development of a UG2 mine (UG2 North mine) in the northernmost 4km of strike started in May 2010.

The resource estimate for the Booysendal concession is subdivided into three sections, these being the southern section of Booysendal South; the UG2 North mine; and the remainder of the northern section of the concession (Booysendal North). A mineral reserve estimate is presented for the UG2 North mine only.

Capital Expenditure

A total of R191.9 million was spent in the current period and R239.9 million is expected to be spent in the remainder of the financial year. R30.0 million has been committed for the investigation into the feasibility of mining Merensky ore at Booysendal.

The total capital expenditure for the Booysendal mine is expected to be R4.9 billion by the end of calendar 2015.

Zondereinde mine

Mining Prospects

Northam exploits both the Merensky and UG2 reefs of the upper critical zone of the Bushveld Complex. While there is lateral continuity of both reefs across the mine property, the Merensky reef displays a variety of reef types. The distribution of these is determined by a combination of surface exploration boreholes, ongoing prospect drilling from underground development and reef mapping in development and stoping. In contrast to the Merensky reef, the UG2 displays little variation in reef attributes.

Capital Expenditure

The total capital expenditure for current period was R156.4 million (H1 F2014: R270.1 million). A further R163.9 million is expected to be spent for the rest of the financial year.

Mine/Project	Status	Ramp up period	Project capital
Zondereinde PGM mine	Steady state 300kozpa PGM	NA	Nil
Booysendal PGM mine	Ramp up to 160kozpa PGM	8 months (Oct 2015)	R280m
Pandora PGM mine	Steady state 50kozpa	NA	Nil

CONSENTS REQUIRED IN TERMS OF THE COMPANIES ACT

NORTHAM
PLATINUM LIMITED

Block 1A Albury Park, Magalieszicht Avenue
Dunkeld West, Johannesburg
PO Box 412694, Craighall, 2024, South Africa
Tel: +27 11 759 6000 | **Fax** +27 11 325 4795
Website www.northam.co.za

The Directors
Zambezi Platinum (RF) Limited
1A Albury Park
Magaliezicht Avenue
Dunkeld West, 2196
Gauteng
South Africa

31 March 2015

Dear Sirs

Consent letter

1. Northam Platinum Limited ("**Northam**") will, on behalf of Zambezi Platinum (RF) Limited ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through inter alia the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2. In order to give Northam shareholders information regarding Zambezi Platinum for purpose of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam, as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Prospectus**").

3. Northam, in its capacity as Secretaries and Technical and Administrative Advisors to Zambezi Platinum, hereby consents to its name being stated, and to the references of its name in the form and context in which it appears, in the Prospectus which this consent letter accompanies.

4. We hereby undertake that we will not withdraw our consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

PBeale

Mrs PB Beale
Company Secretary
Northam Platinum Limited

tb162

DLA CLIFFE DEKKER HOFMEYR

1 Protea Place Sandown 2196
Private Bag X40 Benmore 2010
South Africa
Dx 42 Johannesburg

T +27 (0)11 562 1000
F +27 (0)11 562 1111
E jhb@dlacdh.com
W www.cliffedekkerhofmeyr.com

Also at Cape Town

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magalieszicht Avenue
Dunkeld West
2196
Johannesburg

Our Reference	L Franca
Account Number	20143388
Your Reference	
Direct Line	(011) 562 1184
Direct Telefax	(011) 562 1648
Direct e-mail	lilia.franca@dlacdh.com
Date	25 March 2015

Dear Sirs

Consent

1 Northam Platinum Limited ("**Northam**") intends to, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through inter alia the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambezi Platinum for purpose of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam, as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Prospectus**").

3 Cliffe Dekker Hofmeyr Inc., in its capacity as the attorneys, hereby consents to its name being stated and to the references thereto in the form and context in which it appears in the Prospectus.

4 We hereby undertake that we will not withdraw our consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

LILIA FRANCA
CLIFFE DEKKER HOFMEYR INC

New York
Menlo Park
Washington DC
São Paulo
London
Paris
Madrid
Tokyo
Beijing
Hong Kong

Davis Polk

Paul Etienne Kumleben

Davis Polk & Wardwell London LLP
5 Aldermanbury Square
London EC2V 7HR

020 7418 1360 tel
020 7710 4860 fax
paul.kumleben@davispolk.com

March 19, 2015

Re: Consent Letter

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West, 2196
Gauteng
South Africa

Dear Sirs:

1 Northam Platinum Limited ("**Northam**") intends to, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through inter alia the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambezi Platinum for purpose of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam, as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Prospectus**").

3 Davis Polk & Wardwell London LLP, in its capacity as attorneys as to U.S. law and English law, hereby consents to its name being stated and to the references thereto in the form and context in which it appears in the Prospectus.

4 We hereby undertake that we will not withdraw our consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully,

Paul E Kumleben

Paul Kumleben for and on behalf of:
Davis Polk & Wardwell London LLP

NORTHAM
PLATINUM LIMITED

Block 1A Albury Park, Magalieszicht Avenue
Dunkeld West, Johannesburg
PO Box 412694, Craighall, 2024, South Africa
Tel: +27 11 759 6000 | **Fax:** +27 11 325 4795
Website: www.northam.co.za

24 March 2015

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West
2196

Dear Sirs

Consent letter

1 Northam Platinum Limited ("**Northam**") will, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through *inter alia* the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambez i Platinum for purposes of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam ("**Prospectus**"), as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Regulations**").

3 I, Mr C van Jaarsveld, in my capacity as the expert as contemplated in terms of Regulation 80 of the Regulations, hereby consent to my name being stated, the extract of the Mineral Resource and Reserve statement from Northam's annual report ("**Expert's Report**") being included, and to the references of my name and the Expert's Report in the form and context in which it appears, being included in the Prospectus to which this consent letter accompanies.

4 I hereby undertake that I will not withdraw my consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

Mr C van Jaarsveld
Chief Geologist – Zondereinde Division
Northam Platinum Limited

Directors [illegible] (Chairman), P A Dunne (Chief Executive Officer) (British), A Z Khumalo (Chief Financial Officer), M E Beckett (British), C K Chabedi, J A K Cochrane (British), R Havenstein, Ms T E Kgosi, A R Martin.
Company Secretary [illegible]
Registration Number: 1977/003282/06

PROSPECT
GEOSERVICES
400 Selikats Causeway
Faerie Glen 0081
Tel: +27 (11) 486 2447
fax: +27 (86) 538 6960
cell: +27 (82) 456 4530
email: progeo@iafrica.com

24 March 2015

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West
2196

Dear Sirs

Consent letter

1 Northam Platinum Limited ("**Northam**") will, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through *inter alia* the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambezi Platinum for purposes of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam ("**Prospectus**"), as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Regulations**").

3 I, Mr D Smith, in my capacity as the expert as contemplated in terms of Regulation 80 of the Regulations, hereby consent to my name being stated, the extract of the Mineral Resource and Reserve statement from Northam's annual report ("**Expert's Report**") being included, and to the references of my name and the Expert's Report in the form and context in which it appears, being included in the Prospectus to which this consent letter accompanies.

4 I hereby undertake that I will not withdraw my consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

D Smith
Geologist & Principal

Prospect Geoservices cc. Principal: Mr Damian Smith
Registration Number: 2009/032959/23

NORTHAM
PLATINUM LIMITED

Block 1A Albury Park, Magalieszicht Avenue
Dunkeld West, Johannesburg
PO Box 412694, Craighall, 2024, South Africa
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Website www.northam.co.za

24 March 2015

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West
2196

Dear Sirs

Consent letter

1 Northam Platinum Limited ("**Northam**") will, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through *inter alia* the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambezi Platinum for purposes of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam ("**Prospectus**"), as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Regulations**").

3 I, Mr W Theron, in my capacity as the expert as contemplated in terms of Regulation 80 of the Regulations, hereby consent to my name being stated, the extract of the Mineral Resource and Reserve statement from Northam's annual report ("**Expert's Report**") being included, and to the references of my name and the Expert's Report in the form and context in which it appears, being included in the Prospectus to which this consent letter accompanies.

4 I hereby undertake that I will not withdraw my consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

Mr W Theron
General Manager – Booysendal Division
Northam Platinum Limited

NORTHAM
PLATINUM LIMITED

Block 1A Albury Park, Magaliezicht Avenue
Dunkeld West, Johannesburg
PO Box 412694, Craighall, 2024, South Africa
Tel: +27 11 759 6000 | **Fax** +27 11 325 4795
Website www.northam.co.za

24 March 2015

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West
2196

Dear Sirs

Consent letter

1 Northam Platinum Limited (**"Northam"**) will, on behalf of Zambezi Platinum Limited (RF) (**"Zambezi Platinum"**), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through *inter alia* the issue of renounceable letters of allocation to qualifying Northam shareholders (the **"Offer"**).

2 In order to give Northam shareholders information regarding Zambezi Platinum for purposes of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam (**"Prospectus"**), as contemplated in section 99 of the Companies Act, No. 71 of 2008 (**"Companies Act"**) read with Regulation 56 of the Regulations promulgated under the Companies Act (**"Regulations"**).

3 I, Mr M Mqadi, in my capacity as the expert as contemplated in terms of Regulation 80 of the Regulations, hereby consent to my name being stated, the extract of the Mineral Resource and Reserve statement from Northam's annual report (**"Expert's Report"**) being included, and to the references of my name and the Expert's Report in the form and context in which it appears, being included in the Prospectus to which this consent letter accompanies.

4 I hereby undertake that I will not withdraw my consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

M Mqadi
Chief Geologist – Booysendal Division
Northam Platinum Limited

2015/03/17

www.onecapital.co.za

Tel +27 11 550 5000 Ground Floor 17 Fricker Road Illovo 2196
Fax +27 11 550 5002 PO Box 784573 Sandton 2146

ONE CAPITAL

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West
2196
Gauteng
South Africa

25 March 2015

Dear Sirs

<u>Consent letter</u>

1 Northam Platinum Limited ("**Northam**") will, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through *inter alia* the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambezi Platinum for purposes of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam, as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Prospectus**").

3 One Capital Sponsor Services (Proprietary) Limited, in its capacity as Debt Sponsor to Zambezi Platinum, hereby consents to its name being stated, and to the references of its name in the form and context in which it appears, in the Prospectus which this consent letter accompanies.

4 We hereby undertake that we will not withdraw our consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

Sholto Simpson
Director
One Capital Sponsor Services (Proprietary) Limited

www.onecapital.co.za One Capital Sponsor Services (Proprietary) Limited, t/a One Capital. Reg no 2000/023249/07
Directors: JN Human (CEO), SD Simpson

Building a better
working world

EY
102 Rivonia Road
Sandton
Private Bag X14
Sandton
2146

Ernst & Young Incorporated
Co. Reg. No. 2005/002308/21
Tel: +27 (0) 11 772 3000
Fax: +27 (0) 11 772 4000
Docex 123 Randburg
ey.com

The Directors
Zambezi Platinum Limited (RF)
1A Albury Park
Magaliezicht Avenue
Dunkeld West
2196
Gauteng
South Africa

25 March 2015

Dear Sirs,

Consent letter

1 Northam Platinum Limited ("**Northam**") will, on behalf of Zambezi Platinum Limited (RF) ("**Zambezi Platinum**"), make an offer of 112 195 122 preference shares in Zambezi Platinum's authorised share capital to qualifying Northam shareholders through *inter alia* the issue of renounceable letters of allocation to qualifying Northam shareholders (the "**Offer**").

2 In order to give Northam shareholders information regarding Zambezi Platinum for purposes of the Offer, Zambezi Platinum will address a prospectus to the shareholders of Northam, as contemplated in section 99 of the Companies Act, No. 71 of 2008 ("**Companies Act**") read with Regulation 56 of the Regulations promulgated under the Companies Act ("**Prospectus**").

3 Ernst and Young Inc., in its capacity as Auditor and Reporting Accountant to Zambezi Platinum, hereby consents to its name being stated, the inclusion of its Auditors Reports in terms of Regulation 77 and 79 of the Companies Act and to the references of its name in the form and context in which it appears, in the Prospectus which this consent letter accompanies.

4 We hereby undertake that we will not withdraw our consent contained in this letter prior to the issue of the Prospectus.

Yours faithfully

Ernst & Young Inc.

Ernst & Young Inc.
Mike Herbst
Capacity: Director
Reporting Accountant Specialist