

MERAFE RESOURCES LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003452/06)

Share Code: MRF

ISIN: ZAE000060000

("Merafe" or the "Company")

IMPACT OF COVID-19 ON MERAFE'S OPERATIONS

The South African Government ("**Government**") announced a 21-day nationwide lockdown, effective from midnight on 26 March 2020 ("**Lockdown**"), in order to assist in the containment of the spread of COVID 19 in South Africa.

The safety and wellbeing of the Company's employees, their families and the broader community is a primary concern and Merafe supports the Government's initiatives to contain the spread of COVID-19.

In accordance with the Government's directive, all Merafe's operations have been placed on care and maintenance until the Lockdown period is lifted or relaxed. The Company has been engaging and will continue to engage with the relevant authorities, unions and other stakeholders in order to manage the impact of the Lockdown on the Company.

Merafe will continue to communicate with its suppliers and customers to ensure they remain informed and where Merafe is unable to perform under contracted obligations, the Company will declare Force Majeure and suspend its obligations under such contracts.

Cash flow management is a key focus area and Merafe is closely monitoring costs and capital expenditure. In the event that the Company requires additional funding for its operations, it is envisaged that Merafe will access existing undrawn debt funding facilities.

The determination of the European benchmark ferrochrome price for the second quarter of 2020 has not been finalized and is still under review.

Merafe will continue to monitor the developments in regard to the COVID-19 pandemic and Lockdown and will provide updates as appropriate.

We thank our employees, contractors, customers, suppliers, communities and other stakeholders for their support during this challenging time.

Sandton

2 April 2020

Sponsor

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