

Merafe Resources Limited

(Incorporated in the Republic of South Africa)

(Registration number: 1987/003452/06)

JSE share code: MRF

ISIN: ZAE000060000

("Merafe" or the "Company" or the "Group")

RESIGNATION OF A DIRECTOR, RESULTS OF ANNUAL GENERAL MEETING, DETAILS OF ENGAGEMENT WITH SHAREHOLDERS AND NOTICE TO SHAREHOLDERS IN TERMS OF SECTION 45 OF THE COMPANIES ACT

RESIGNATION OF A NON-EXECUTIVE DIRECTOR

In terms of paragraph 3.59 of the JSE Limited Listings Requirements ("Listings Requirements"), shareholders are hereby advised that Ms Karabo Nondumo has tendered her resignation as an independent non-executive director of the Company, effective today, Tuesday, 8 May 2018.

The board of directors of the Company ("Board") would like to thank Ms Nondumo for her invaluable contribution to the Company and wishes her every success in her future endeavours.

The Company has commenced a recruitment exercise to find a suitable successor and accordingly, an announcement will be made following such appointment.

In light of Ms Nondumo's resignation, ordinary resolution 3.2 as proposed in the notice of annual general meeting ("AGM") dated 6 March 2018, relating to the appointment of Ms Nondumo as a member of the Audit and Risk Committee of the Company, was withdrawn prior to voting at the AGM held today, Tuesday, 8 May 2018.

RESULTS OF ANNUAL GENERAL MEETING

Merafe is pleased to advise its shareholders that all the ordinary and special resolutions proposed in the notice of AGM (save for ordinary resolution 3.2 which was withdrawn) and tabled at the Company's AGM were passed by the requisite majority of votes cast by shareholders.

The voting results with respect to the resolutions were as follows:

Resolutions	Number of shares voted	Percentage of shares voted	Percentage of shares voted "For"	Percentage of shares voted "Against"	Abstentions
Ordinary resolution 1: Adoption of the Group audited annual financial statements for the year ended 31 December 2017	2 100 437 571	83.66%	100.00%	0.00%	0.13%
Ordinary resolution 2.1: Re-election of Mr Chris Molefe as a director of the Company	2 101 000 394	83.68%	99.04%	0.96%	0.11%

Resolutions	Number of shares voted	Percentage of shares voted	Percentage of shares voted "For"	Percentage of shares voted "Against"	Abstentions
Ordinary resolution 2.2: Re-election of Mr Shaun Blankfield as a director of the Company	2 102 370 994	83.74%	99.87%	0.13%	0.06%
Ordinary resolution 3.1: Appointment of Ms Belese Majova as a member of the Audit and Risk Committee	2 101 010 394	83.68%	99.96%	0.04%	0.11%
Ordinary resolution 3.3: Appointment of Mr Abiel Mngomezulu as a member of the Audit and Risk Committee	2 101 010 394	83.68%	99.96%	0.04%	0.11%
Ordinary resolution 4: Re-appointment of Deloitte and Touche Inc. as the external registered auditors of the Company and the appointment of Mr Patrick Ndlovu as the designated audit partner	2 038 401 270	81.19%	87.49%	12.51%	2.60%
Ordinary resolution 5: Authority to sign all documents required to give effect to all the resolutions contained in the notice of AGM	2 101 518 294	83.70%	99.96%	0.04%	0.09%
Ordinary resolution 6.1*: Non-binding advisory vote on the Company's remuneration policy	2 101 342 199	83.70%	74.00%	26.00%	0.10%
Ordinary resolution 6.2: Non-binding advisory vote on the Company's remuneration implementation report	2 100 902 199	83.68%	87.88%	12.12%	0.11%
Special resolution 1.1: Approval of non-executive	2 102 417 509	83.74%	99.97%	0.03%	0.05%

Resolutions	Number of shares voted	Percentage of shares voted	Percentage of shares voted "For"	Percentage of shares voted "Against"	Abstentions
directors' fees - Board chairperson					
Special resolution 1.2: Approval of non-executive directors' fees - Board member	2 101 495 509	83.70%	99.97%	0.03%	0.09%
Special resolution 1.3: Approval of non-executive directors' fees – Audit and Risk Committee chairperson	2 101 495 509	83.70%	99.96%	0.04%	0.09%
Special resolution 1.4: Approval of non-executive directors' fees – Audit and Risk Committee member	2 101 495 509	83.70%	99.96%	0.04%	0.09%
Special resolution 1.5: Approval of non-executive directors' fees – Remuneration and Nomination Committee chairperson	2 101 495 509	83.70%	99.96%	0.04%	0.09%
Special resolution 1.6: Approval of non-executive directors' fees – Remuneration and Nomination Committee member	2 101 495 509	83.70%	99.96%	0.04%	0.09%
Special resolution 1.7: Approval of non-executive directors' fees – Social, Ethics and Transformation Committee chairperson	2 101 485 709	83.70%	99.96%	0.04%	0.09%
Special resolution 1.8: Approval of non-executive directors' fees – Social, Ethics and Transformation Committee member	2 101 485 709	83.70%	99.96%	0.04%	0.09%

Resolutions	Number of shares voted	Percentage of shares voted	Percentage of shares voted "For"	Percentage of shares voted "Against"	Abstentions
Special resolution 2: Loans or other financial assistance to related or inter-related companies	2 101 429 609	83.70%	99.07%	0.93%	0.09%
Special resolution 3: General authority to repurchase Company shares	2 101 956 951	83.72%	99.07%	0.93%	0.07%

Notes:

- Percentages of shares voted are calculated in relation to the total issued share capital of Merafe.
- Percentages of shares voted "For" and "Against" each resolution are calculated in relation to the total number of shares voted in respect of such resolution.
- Abstentions are calculated as a percentage in relation to the total issued share capital of Merafe.

*As a result of more than 25% of the votes cast against ordinary resolution number 6.1, in accordance with the King IV Report on Corporate Governance for South Africa, 2016 and paragraph 3.84(k) of the Listings Requirements, Merafe invites the shareholders who voted against ordinary resolution number 6.1 to engage with the Company regarding their views on Merafe's remuneration policy. Shareholders may forward their concerns / questions regarding Merafe's remuneration policy to the Company via email at kajal@merafesources.co.za by close of business on Tuesday, 22 May 2018.

NOTICE TO SHAREHOLDERS IN TERMS OF SECTION 45 OF THE COMPANIES ACT

Notice is hereby given, in terms of section 45 of the Companies Act, 2008, as amended ("**Companies Act**"), that pursuant to the authority granted at the AGM, the Board has approved, in accordance with section 45 of the Companies Act, the provision of financial assistance to related and inter-related companies up to an amount not exceeding R2,5 billion, at any time and from time to time during the period 9 May 2018 to 9 May 2019. The total value, if utilised, will exceed 1/10th of 1% of the Company's net worth as at the date of the board resolution, being 8 May 2018.

The Board has confirmed that, after considering the reasonably foreseeable financial circumstances of the Company, it is satisfied that, immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test, as contemplated in section 45 of the Companies Act and detailed in section 4 of the Companies Act; and that the terms under which such assistance is proposed to be given are fair and reasonable to the Company.

Sandton
8 May 2018

Sponsor
One Capital