

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")

PRODUCTION REPORT AND TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2019

1. Production Report

Merafe's attributable ferrochrome production from the Glencore Merafe Chrome Venture for the six months ended 30 June 2019 decreased marginally by 2.3% compared to the six months ended 30 June 2018 ("Previous Corresponding Period").

	Six months ended 30 June 2019	Six months ended 30 June 2018
Attributable ferrochrome production (kt)	206	211

2. Trading Statement*Basic and headline earnings per share*

In terms of the JSE Limited Listings Requirements, issuers are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on will differ by at least 20% from those of the prior comparative period.

Shareholders are therefore advised that Merafe is expecting to report basic earnings per share ("EPS") and headline earnings per share ("HEPS") of between 5.92 cents and 7.24 cents for the six months ended 30 June 2019, compared to 16.9 cents for the Previous Corresponding Period, which is a decrease of between 57% and 65%.

The significant decrease in EPS and HEPS is primarily driven by substantially lower chrome ore and ferrochrome prices which were partially offset by:

- a weaker average Rand:US\$ exchange rate; and
- higher chrome ore and ferrochrome sales volumes.

Expected cash and debt balances – Merafe Resources Limited Group

	30 June 2019	31 December 2018
Cash and cash equivalents balance	205	281
Net cash/(debt)	205	281

Shareholders are advised that the financial information contained in this announcement, has not been reviewed or reported on by Merafe's external auditors.

The financial results for the six months ended 30 June 2019 are expected to be released on SENS on or about 5 August 2019.

Sandton
19 July 2019

Sponsor
One Capital