

IMPALA PLATINUM HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1957/001979/06)
JSE Share code: IMP
ISIN: ZAE000083648
JSE Convertible Bond Stock Code: IMCB22
JSE Convertible Bond ISIN: ZAE000247458
ADR code: IMPUY
(“Implats” or “the Company”)

PROPOSED ODD-LOT OFFER AND DISTRIBUTION OF THE CIRCULAR AND NOTICE OF GENERAL MEETING

1. Introduction and rationale

As at 28 August 2020, Implats had a total of 10 123 ordinary shareholders (“**Odd-lot Holders**”) each holding less than 100 Implats ordinary shares of no par value (“**Implats Shares**”) (“**Odd-lot Holdings**”), holding a total of 232 581 Implats Shares, representing only 0.03% of the total issued share capital of Implats. Odd-lot Holders represent 48.7% of the total number of ordinary shareholders (“**Implats Shareholders**”) in the Company. The recurring administrative costs for the Odd-Lot Holders is disproportionately large relative to the small size of their Odd-lot Holdings and negatively affects all Implats Shareholders. To reduce the administrative time and costs associated with the Company’s shareholder base, the board of directors of Implats (“**Board**”) has proposed the implementation of an odd-lot offer (“**Odd-lot Offer**”) to facilitate the reduction in these Odd-lot Holders in a fair manner, which will result in the repurchase by the Company of the Odd-lot Holdings from the Odd-lot Holders at the offer price, being at a 10% premium to the 30-calendar day volume weighted average price (“**VWAP**”) of an Implats Share at the close of business on Monday, 26 October 2020 (“**Offer Price**”).

The Odd-lot Offer will provide Odd-lot Holders with the ability to dispose of their Odd-lot Holdings on an efficient basis and will provide liquidity for those Odd-lot Holders who elect not to retain their Odd-lot Holdings or who make no election, in which case such Odd-lot Holders will be deemed to have agreed to dispose of their Odd-lot Holdings. Odd-lot Holders will sell their Odd-lot Holdings to Implats and receive the Offer Price in cash (“**Cash Consideration**”). **Odd-lot Holders can elect to retain their Odd-lot Holdings.**

An odd-lot offer is a ‘standard’ corporate action undertaken by JSE-listed companies and is permitted by the Company’s memorandum of incorporation (“**Mol**”). For Implats to implement the Odd-lot Offer, the directors are seeking approval from Implats Shareholders to (i) effect certain required amendments to the Mol (“**Mol Amendments**”), and (ii) implement the Odd-lot Offer.

2. Mol Amendments

Paragraph 1(2)(n) and (o) read together with paragraph 14 of the Mol provides that if the Company makes an Odd-lot Offer, Odd-lot Holders may elect to increase their Odd-lot Holding to 100 Shares (“**top-up provision**”). The top-up provision was contained in historic versions of the JSE Limited (“**JSE**”) Listings Requirements and was included in the Mol. The top-up provision was repealed by the JSE in c. 2007. Accordingly, in order to align the Mol with the JSE Listings Requirements and current practice, Implats Shareholder approval is being sought to give effect to the Mol Amendments to remove the sections in the Mol allowing for the top-up provision.

3. Key terms of the Odd-lot Offer

The Odd-lot Offer will be subject to Implats Shareholder approval (“**Shareholder Approval**”).

In order to (i) provide Odd-lot Holders with an opportunity to realise the value of their investment without suffering dealing charges which might otherwise make it impractical to sell their holding, and to provide liquidity for those Odd-lot Holders who elect not to retain their Odd-lot Holdings or who make no election and; (ii) from the Company’s perspective, to reduce the costs and complexity of managing a large number of Odd-lot Holders, Implats has decided to proceed with the implementation of the Odd-lot Offer to repurchase the Implats Shares from the Odd-lot Holders at the Offer Price. For purposes of payment of the Offer Price to Odd-lot Holders on the United Kingdom share register, the Offer Price will be converted at the GBP/ZAR exchange rate at the close of business on Monday, 26 October 2020.

Odd-lot Holders can elect to retain their Odd-lot Holdings or sell their Odd-lot Holdings at the Offer Price. Those Odd-lot Holders who do not make an election by 12:00 (SA time) and 10:00 (UK time, for Odd-lot Holders on the United Kingdom register) on Friday, 6 November 2020 will automatically be regarded as having accepted the Odd-lot Offer and chosen to dispose of their Odd-lot Holdings.

4. Circular and notice of general meeting

For Implats to implement the Odd-lot Offer, the Board is seeking approval from Implats Shareholders to give effect to the Mol Amendments and to implement the Odd-lot Offer, and is therefore convening a general meeting of Implats Shareholders (“**General Meeting**”), to be held through electronic communication on Wednesday, 14 October 2020 at 12:00 (SA time) or 11:00 (UK time), at which all Implats Shareholders will be entitled to vote on the resolutions required to give effect to the Mol Amendments and to implement the Odd-lot Offer. A circular (“**Circular**”), containing details of the Mol Amendments and the Odd-lot Offer, together with a notice of General Meeting (“**Notice of General Meeting**”), will be posted to Implats shareholders on Monday, 14 September 2020.

5. Odd-lot Offer mechanics

Following receipt of Shareholder Approval, the Odd-lot Offer will open and Odd-lot Holders must decide to either:

- sell their Odd-lot Holding to Implats at the Offer Price; or
- retain their Odd-lot Holding.

If Odd-lot Holders wish to retain their Implats Shares, they must specifically make an election to do so. Those Odd-lot Holders who do not make an election will automatically be regarded as having accepted the Odd-lot Offer and chosen to dispose of their Implats Shares to Implats and will receive the Cash Consideration.

6. Salient dates and times

	2020
Announcement relating to the Odd-lot Offer and issue of the Circular (together with the Notice of General Meeting) released on SENS	Monday, 14 September
Distribute Notice of General Meeting and Circular to Implats Shareholders	Monday, 14 September
Announcement relating to the Odd-lot Offer and the issue of the Circular (together with the Notice of General Meeting) published in the press	Tuesday, 15 September
Last day to trade to be entitled to vote and participate in the General Meeting	Tuesday, 6 October
Record date to be entitled to vote and participate in the General Meeting	Friday, 9 October
Recommended last day to lodge forms of proxy for the General Meeting	Tuesday, 13 October
General Meeting to be held through electronic communication at 12:00 (SA time) or 11:00 (UK time)	Wednesday, 14 October
Announce results of the General Meeting on SENS	Wednesday, 14 October
Announce results of the General Meeting in the press	Thursday, 15 October
If the resolutions are passed at the General Meeting, the Odd-lot Offer opens at 09:00 (SA time) or 08:00 (UK time)	Thursday, 15 October
Publication of the finalisation information (including the Offer Price) on SENS by 11:00 (SA time) or 09:00 (UK time)	Tuesday, 27 October
Publication of the finalisation information (including the Offer Price) in the press	Wednesday, 28 October
Last day to trade to participate in the Odd-lot Offer	Tuesday, 3 November
Implats Shares trade ex-Odd lot Offer	Wednesday, 4 November
Forms of election and surrender to be received by the transfer secretaries in South Africa (Computershare Investor Services Proprietary Limited) and the United Kingdom (Computershare Investor Services plc) by 12:00 (SA time) or 10:00 (UK time)	Friday, 6 November
Record date for the Odd-lot Offer	Friday, 6 November
Odd-lot Offer closes at 12:00 (SA time) or 10:00 (UK time)	Friday, 6 November
Payment of the Cash Consideration to Certificated Odd-lot Holders who have accepted the Odd-lot Offer or who have made no election ⁴	Monday, 9 November
Dematerialised Odd-lot Holders who have accepted the Odd-lot Offer or who have made no election will have their accounts at their CSDP or broker credited with the Cash Consideration	Monday, 9 November
Results of the Odd-lot Offer released on SENS	Monday, 9 November
Results of the Odd-lot Offer published in the press	Tuesday, 10 November
Cancellation and termination of listing of Implats Shares repurchased in terms of the Odd-lot Offer expected on or about	Wednesday, 11 November

Notes:

1. These salient dates and times are subject to amendment at the discretion of the Company. Any such amendments will be released on SENS.
2. All times quoted are local times in South Africa and in the United Kingdom.
3. Implats Shareholders may not dematerialise or rematerialise their Implats Shares after the last day to trade, being Wednesday, 4 November 2020 to Friday, 6 November 2020, both dates inclusive.
4. Odd-lot Holders who are non-residents of the Common Monetary area, and who elect to sell their Odd-lot Holdings or who make no election, are specifically referred to paragraph 8.2 of the Circular as regards the processing and payment of their Cash Consideration.

7. Tax considerations

The Board has specifically resolved that the Odd-lot Offer will be distributed as a return of capital and will result in a reduction of 'contributed tax capital' as defined in section 1 of the South African Income Tax Act, 58 of 1962, as amended. The Cash Consideration will therefore not be regarded as a dividend for South African income tax purposes. Implats Shareholders are advised to consult their own tax and/or other professional advisors regarding the taxation implications arising out of the acceptance of the Odd-lot Offer.

Queries:

Johan Theron

E-mail: johan.theron@implats.co.za

T: +27 (0) 11 731 9013/43

M: +27 (0) 82 809 0166

Emma Townshend

E-mail : emma.townshend@implats.co.za

T : +27 (0) 21 794 8345

M : +27 (0) 82 415 3770

Alice Lourens

E-mail: alice.lourens@implats.co.za

T: +27 (0) 11 731 9033/43

M: +27 (0) 82 498 3608

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Johannesburg

Investment Bank, Corporate Advisor and Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Legal Advisor

Edward Nathan Sonnenbergs Inc.