Sedibelo
Resources

SEDIBELO RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2022

May 1, 2023

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") for the three and twelve months ended December 31, 2022, contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial and operating performance of Sedibelo Resources Limited (the "Company", "SRL", "we", "us" or "our"), its subsidiaries and affiliated companies (which together with Sedibelo Resources Limited is referred to as "the Group"), and its mineral projects, the future price of and demand for 4E metals (commonly used to refer to platinum, palladium, rhodium and gold), 4E production levels, mining rates, the future price of copper, nickel and chrome, future exchange rates, the estimation of mineral resources and reserves, the realization of mineral resource estimates or their conversion into reserves, costs and future costs of production, capital and exploration expenditures, including ongoing capital expenditure at the Pilanesberg Platinum Mine ("PPM"), costs and timing of the development of new deposits and new mines, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations and exploration operations, timing and receipt of approvals, licenses, and conversions under South African mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as ''plans'', ''expects'', ''is expected'', ''budget'', ''scheduled'', ''estimates'', ''forecasts'', ''intends'', ''anticipates'', "targeted" or ''believes'' or variations (including negative variations) of such words and phrases, or state that certain actions, events or results ''may'', ''could'', ''would'', ''might'' or ''will'' be taken, occur or be achieved.

Forward-looking statements in this MD&A, include among others, forecast production; the possible impacts from emerging risks such as those related to climate change and the transition to a lower carbon economy; recovery rates and grade; expectations, targets, estimates, and assumptions in respect of 4E metal prices and production; life expectancies for the Company's mines; development projects and initiatives, including with respect to the Kellplant (as defined herein), Sedibelo Underground (as defined herein) – and the Mphahlele project, including expectations regarding financing, engineering and confirmatory studies and completion dates; statements regarding the Company's sustainability and environmental, social and governance goals, including its net-zero by 2040 target; expectations regarding the development of solar and wind projects, including expectations regarding completion dates and power purchase agreements in respect thereof and the amount of energy to be produced from such projects; expectations regarding reef mining on the East pit; expectations regarding the Company's new enterprise resource planning system, including the expected implementation date; allocation of funds for current commitments; expectations regarding deliveries to be made pursuant to the Impala Offtake Agreement (as defined herein and as may be amended or supplemented from time to time); future operations; and the Ukraine war issue currently occurring, including its impacts on PGM supply and demand.

Such forward-looking statements are based on a number of material factors and assumptions, including that contracted parties provide goods and/or services per the agreed time frames; the availability of financing on commercially reasonable terms; that budgets and production forecasts are accurate; that equipment necessary for construction and development is available as scheduled and does not incur unforeseen breakdowns; that no labor shortages or delays are incurred; that plant and equipment function as specified; that geological or financial parameters do not necessitate future mine plan changes; that no unusual geological or technical problems occur; and that grades and recovery rates are as anticipated in mine planning.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration and mining activities; development and operational risks; title risks; regulatory risks; conclusions of economic evaluations and studies; fluctuations in the value of the United States dollar ("USD") relative to the South African rand ("ZAR"); changes in project parameters as plans continue to be refined; future prices of 4E metals; possible variations of ore grade or recovery rates (including the existence of potholes, faults and other geological conditions that may affect the existence or recovery of resources and reserves); failure of plant, equipment or processes to operate as anticipated; accidents, labor disputes, industrial unrest and strikes and other risks of the mining industry; political instability, insurrection or war; the effect of HIV/AIDS on labor force availability and turnover; the Covid-19 issues currently occurring globally; delays in obtaining

governmental approvals or financing or in the completion of development or construction activities; as well as those factors communicated in the section entitled ''Risk Factors'' herein. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are made as of the date of this MD&A and SRL disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

VOLUME INFORMATION

All tonnage information in this MD&A is expressed in metric tonnes and all references to ounces are to troy ounces, in each case, unless otherwise specified.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this MD&A concerning industry in which the Company operates, including market opportunity and market size, is based on information from various sources, including public information and publications on the industry prepared by official public sources and private sources, such as Afriforesight, Johnson Matthey and J.P. Morgan Global Commodities Research. This information involves a number of assumptions and limitations. While the Company believes the market opportunity and market size information included in this MD&A is generally reliable, such information is merely an estimate and an approximation. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry in which the Company operates is necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in section 14 herein entitled "Risk Factors". These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by the Company.

ROUNDING

The Company has made rounding adjustments to some of the figures included in this MD&A. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

SCIENTIFIC AND TECHNICAL DATA

Information in this MD&A concerning: (i) the existing and planned mining activities on the western limb of the Bushveld Complex; (ii) the development stage underground platinum group metal project on the eastern limb of the Bushveld Complex (the "Mphahlele Project"); and (iii) the exploration stage platinum group metal project to mine the Kruidfontein region ("Kruidfontein Project") has been prepared in accordance with the requirements of the Modernization of Property Disclosures for Mining Registrants set forth in subpart 1300 of Regulation S-K ("S-K 1300") which became widely applicable on January 1, 2021. While the definitions and standards of NI 43-101 (as defined below) and S-K 1300 have similar goals in terms of conveying an appropriate level of confidence in the disclosures being reported with respect to scientific and technical information on mineral properties, the respective standards embody slightly different approaches and definitions. Accordingly, information containing descriptions of the Company's mineral properties set forth herein may not be comparable to similar information made public by Canadian companies subject to the reporting and disclosure requirements under Canadian securities laws and the rules and regulations thereunder. Mineral resources and mineral reserves have been estimated in accordance with the SAMREC Code (2016 Edition) which would be identical if estimated and reported according to the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") "Standards on Mineral Resources and Reserves, Definitions and Guidelines" prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM.

The information on PPM contained in this MD&A is based in part on a Technical Report entitled "The PPM-Sedibelo-Magazynskraal PDM Project, North West Province, South Africa", with an effective date of December 31, 2021 and filed on the Company's SEDAR profile on May 30, 2022 (the "PSM Technical Report"). The PSM Technical Report was prepared by SRK Consulting (South Africa) (PTY) Ltd. ("SRK Consulting") and authored by Andrew J McDonald, Ivan Doku, Mark Wanless, Jacob van Graan and Joseph Mainama, each of whom approved the scientific and technical information contained in the PSM Technical Report and that such person authored and is a "qualified person" and "independent" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). The PSM Technical Report is available for review on SEDAR under the Company's profile. Information in this MD&A of a scientific or technical nature relating to PPM and arising since the date of the PSM Technical Report has been prepared under the supervision of Jan van der Merwe, who is a "qualified person" under NI 43-101.

The information on the Mphahlele Project contained in this MD&A is based in part on a Technical Report "Mphahlele Project, Limpopo Province, South Africa", with an effective date of December 31, 2021 and filed on the Company's SEDAR profile on May 30, 2022 (the "Mphahlele Technical Report"). The Mphahlele Technical Report was prepared by SRK Consulting and authored by Andrew J McDonald, Mark Wanless and Marcin Wertz, each of whom approved the scientific and technical

information contained in the Mphahlele Technical Report, and that such person authored and is a "qualified person" and "independent" within the meanings of NI 43-101. The Mphahlele Technical Report is available for review on SEDAR under the Company's profile. Information in this MD&A of a scientific or technical nature relating to Mphahlele Project and arising since the date of the Mphahlele Technical Report has been prepared under the supervision of Jan van der Merwe, who is a "qualified person" under NI 43-101.

The information on the Kruidfontein Project contained in this MD&A is based in part on a Technical Report entitled "Kruidfontein PGM Project, North West Province, South Africa, NI 43-101 Technical Report Preliminary Economic Assessment", with an effective date of December 31, 2021 and filed on the Company's SEDAR profile on May 30, 2022 (the "Kruidfontein Technical Report"). The Kruidfontein Technical Report was prepared by SRK Consulting and authored by Andrew J McDonald, Ivan Doku and Marcin Wertz, each of whom approved the scientific and technical information contained in the Kruidfontein Technical Report, and that such person authored and is a "qualified person" and "independent" within the meanings of NI 43-101. The Kruidfontein Technical Report is available for review on SEDAR under the Company's profile. Information in this MD&A of a scientific or technical nature relating to the Kruidfontein Project and arising since the date of the Kruidfontein Technical Report has been prepared under the supervision of Jan van der Merwe, who is a "qualified person" under NI 43-101.

Introduction

1.1 Incorporation of Sedibelo Resources Limited's shares

Sedibelo Resources Limited (the "Company") is registered in Guernsey. The Company reports in accordance with the provisions of The Companies (Guernsey) Law, 2008.

1.2 Principal activity

SRL and its subsidiaries (together the "Group") is a natural resources group of companies engaged in the acquisition, exploration, development, and operation of Platinum Group Metals ("PGMs") mineral deposits in South Africa. Through its 100% owned subsidiary, Pilanesberg Platinum Mines Proprietary Limited ("PPMPL"), the Group has established the Pilanesberg Platinum Mine ("PPM") on the western limb of the Bushveld Complex (the "Western Limb").

PPM is the Group's primary operating asset and consists of:

- The opencast West pit on the farm Tuschenkomst 135JP;
- The developing opencast East pit on the farm Wilgespruit 2JQ;
- Sedibelo-Magazynskraal underground project ("Sedibelo Underground")
- A PGM concentrator, adjacent to West pit; and
- A chromite recovery plant, adjacent to West pit.

PPM management supervises contractors specialising in drilling, blasting, and run of mine ore preparation, the load and haul contractors, and manages the PGM concentrator and chromite plant. The Group's principal focus is to maximise profitable metal output from the concentrator and to develop its underground assets adjacent to its current open pit operations, to expand its life of mine ("LoM") and bring the cost of its operations down to the lower end of the PGM cost curve.

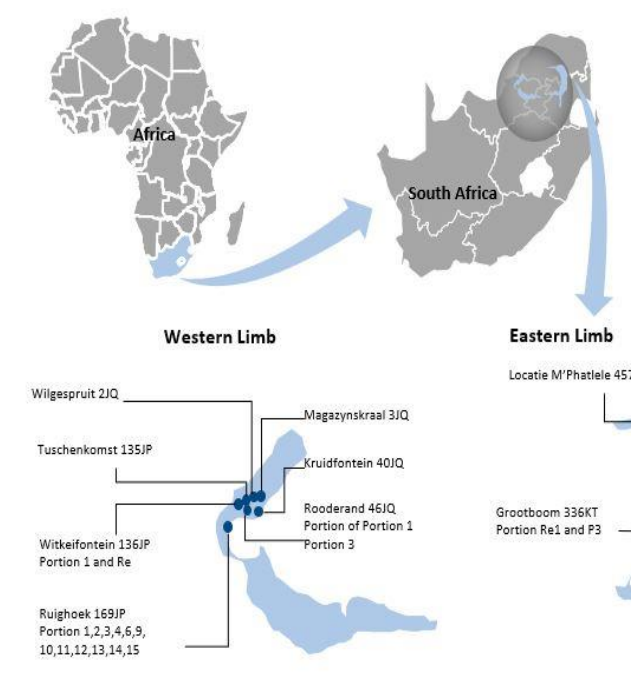
The three-year offtake agreement (the "Impala Offtake Agreement") with Impala Platinum Limited ("Impala") will continue until PPM has delivered the minimum quantity of material to Impala under the agreement, estimated to be in July 2023. However, the Company signed a non-exclusive three-year offtake agreement with Northam Platinum Limited (the "Northam Offtake Agreement") on June 20, 2022, to deliver metals from January 2023 and continue after the Impala Offtake Agreement concludes. . Refer to section 1.4 below for additional information regarding the Impala Offtake Agreement and the Northam Offtake Agreement.

The consolidation of PGM mineral rights on the farms Tuschenkomst 135JP, Wilgespruit 2JQ, Kruidfontein 40 JQ & portions of Middelkuil 8 JQ and Modderkuil 39 JQ and Magazynskraal 3JQ, created a single block of mineral rights on the Western Limb of the Bushveld Complex.

At December 31, 2021, the block of mineral rights on the Western Limb comprised 18.0 million 4E PGM Measured & Indicated Resource ounces and 48.9 million 4E PGM Inferred Resource ounces. These ounces will be developed with new mining infrastructure, utilizing the current processing infrastructure at PPM to extract both PGMs and chromite. Surface and shallow underground mining provide embedded cost advantages.

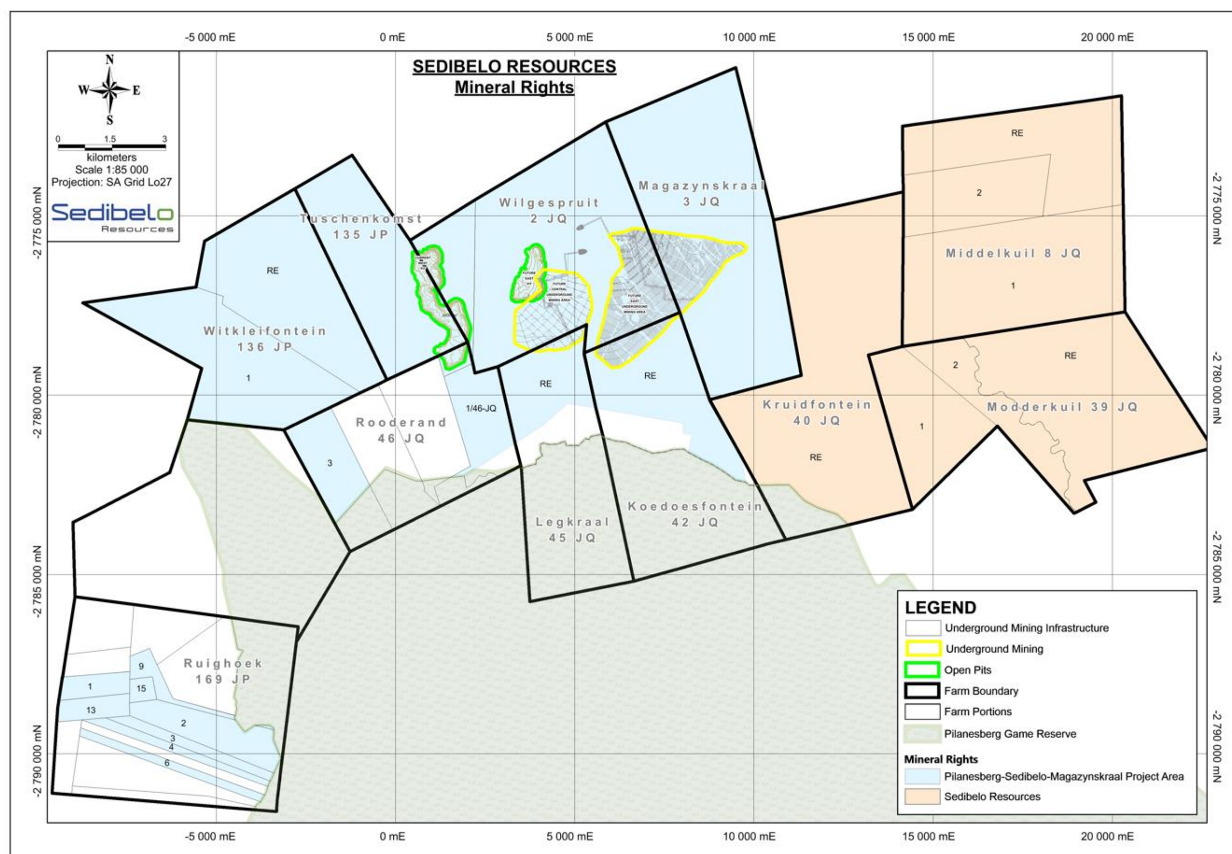
The Group also holds valuable interests in PGM deposits on the eastern limb of the Bushveld Complex (the "Eastern Limb") through its development project namely, Mphahlele; comprising of 6.8 million 4E PGM Measured & Indicated Resource* ounces and 8.7 million 4E PGM Inferred Resource* ounces at December 31, 2021.

**Includes 100% of the resources and not only 75% attributable to the Company.*



1.3 Development projects

Figure 1. Sedibelo Resources Western Limb development areas



Sedibelo East pit

The Sedibelo East pit is situated on the farm Wilgespruit 2JQ and is adjacent to West Pit situated on the Farm Tuschenkomst 135JP. The East pit is operated as a second open pit in conjunction with the current West Pit. The current Life of Mine ("LOM") for the East pit will extend to 2034 at current commodity prices. Infrastructure development of the East pit commenced in January 2022.

Reef mining commenced in May 2022. Initial equipment shortages from local contractors resulted in mining progressing slower than planned for the first few months. Additional drill rigs and mining fleet were procured in August and September alleviating this position.

The construction of a river crossing bridge to the tailings dam facility commenced in October. Once complete the bridge will aid in shortening the hauling distance of waste to build the tailings dam and will result in the opening of reef quicker. Infrastructure development could not be completed in 2022; further development is planned for 2023 and 2024.

Sedibelo-Underground project

The development of Sedibelo Underground was approved in December 2020. The project feasibility study ("FS") was published in July 2020 and had an effective date of 31 March 2020. This study was designed with the objective of minimising the project's capital requirements to a steady state and that the current Open pit operations could support the Underground Operations during the ramp up phase.

The current project considers mining the West pit (Tuschenkomst) and the East pit (Wilgespruit) simultaneously; coupled with the development of underground mines in the Central Block (Sedibelo Central) and the East Block (Sedibelo East-Magazynskraal). The Central Block will now be accessed via a combined portal layout at the original East Portal position; the implementation of the central portal position in the 2008 FS is no longer feasible, due to the increased pit shell design for the East pit supported by improved PGM prices since 2019. The revised Commercial Bid Evaluation and Work Breakdown Structure will be complete by the end of Q1 2023. All ore will be processed through PPM's existing Merensky and UG2 concentrator plants. The simultaneous mining of the West and East pits will enable

the ore feed into the PPM concentrators to be maintained at the current combined capacity of 300 Kilo Tonnes per Month ("ktpm"). Once open pit operations cease, the ore feed will reduce to 160 ktpm, with each underground block producing 80 ktpm. The larger Merensky circuit will be reconfigured to handle an underground ore feed which comprises of predominantly UG2.

Lengthy delays have occurred due to unanticipated geological conditions have been encountered during the construction of the East portal. Accordingly, the East Portal structure has been redesigned to ensure a safe long-term structure based on the actual ground conditions. The impact of this has been factored into the commercial bid evaluation and work breakdown structure, which are currently being updated.

Permitting

The project has a mining right and an approved Environmental Management Programme (EIA/EMP), and Water Use Licence (WUL). The necessary amendments to the permits to cater for the design changes from the 2008 FS to the approved 2020 FS are on track.

Agreements

Worley RSA (Pty) Ltd has been appointed as an engineering, procurement, and construction management ("EPCM") contractor and Professional Cost Consultants (Pty) Ltd as the Quantity Surveyor for the project. UMS Shaft Sinkers (Pty) Ltd ("UMS") has been selected as the mining contractor.

Kell project

The Kell process is a hydrometallurgical process that uses pressure oxidation and solvent extraction-electrowinning to extract valuable metals from concentrate. The development of a plant that utilizes the Kell process technology to process concentrate from the Company's mining operations as well as from third parties into PGM's is under evaluation. This is an opportunity for SRL to spearhead the production of lower carbon footprint PGM's in the market.

DRA Global Limited ("DRA") has been appointed as the EPCM contractor to assist in the ongoing review of and potential development of the first Kell plant at PPM. They have begun a gap analysis on the Kell project's Bankable Feasibility Study. Key engineering deliverables, include updated capital estimates and financial model, final engineering design and sources of energy.

1.4 Offtake agreements

Impala offtake agreement

Historically, substantially all our reported revenues have been derived from the Impala Offtake Agreement, an ordinary course agreement PPMPL entered into with Impala on August 23, 2018, for a three-year term.

PPMPL sell and deliver to Impala for treatment and processing, on an exclusive basis, a specified minimum quantity of 6Es and base metals in concentrate as derived from all ore mined at the PPM and all concentrate produced at the PPM to which PPMPL shall have title or shall be the owner. The parties have agreed that Impala will be responsible for the smelting and refining of the concentrate delivered to it, on the basis that: (i) the fee payable for the smelting and refining of the concentrate is determined in accordance with a predetermined formula; and (ii) PPMPL is liable to pay such fee to Impala. The price paid by Impala for the 6Es, and base metals extracted from the concentrate is determined in accordance with a predetermined formula, linked to index prices, taking into consideration the quality of the 6Es and base metals extracted from the flotation concentrate, less the smelting and refining fee.

The term of the Impala Offtake Agreement expired on May 21, 2022. At the time of expiry, PPMPL had delivered approximately 78% of the minimum quantity required to be delivered under the Impala Offtake Agreement. As such, PPMPL has performed substantially all of its obligations under the Impala Offtake Agreement, and the Impala Offtake Agreement is no longer an agreement on which we are substantially dependent. However, Impala has an ongoing right to receive metals on the terms specified in the Impala Offtake Agreement because PPMPL did not deliver the specified minimum quantity of 6Es, and base metals (nickel and copper) required to be delivered under the Impala Offtake Agreement by May 21, 2022. PPMPL and Impala have agreed terms for the outstanding deliveries and PPMPL will continue to make deliveries to Impala until such time as the minimum quantity to be delivered has been met.

Northam offtake agreement

The Company signed the Northam Offtake Agreement on June 20, 2022. The term of the Northam Offtake Agreement is from the first day of the calendar month following the first to occur of (i) the day on which the minimum contractual delivery quantity has been delivered to Impala under the Impala Offtake Agreement, and (ii) the day on which Impala waives its right to receive the remainder of the minimum quantity outstanding, whichever occurs earlier. Impala has

not waived their right to the minimum quantity outstanding. The company anticipates that the outstanding volume of concentrate will be delivered to Impala by 31 July 2023. The Northam Offtake Agreement may be terminated by either of the parties in the third year (2025) by giving three (3) months' written notice.

1.5 Market trends and outlook

World growth is expected to be held back in 2023 as disruptions centred on Europe continue to boost costs and limit the supply of some key commodities, while global demand growth is tempered further by central banks raising interest rates to curb still-elevated inflation in most regions. Growth should still pick up over the period as supply chain issues and China's Covid-19 constraints gradually ease; however, further expected interest rate increases from most central banks should hold back consumption and investment growth somewhat.

There is a significant risk of a near-term recession in Europe, as economic activity has deteriorated amid decades high inflation, fuelled by high energy prices and supply shortages following Russia's restrictions on gas supply to a growing number of countries. Russian supply and exports remain a risk, due to the dislocation of Russian supply.

J.P. Morgan Securities Plc predicts that the supply for platinum and palladium remains under pressure as demand is growing. This is driven by a lower-than-expected South African production and large contractions in recycled supply.

The effects of the strengthening US dollar have impacted the prices, particularly on platinum. Afriforesight predicts that the platinum prices will pick up slowly in the near term amid weaker global growth and ongoing auto manufacturer constraints but rise firmly as demand improves with recovery in automotive manufacturing activity as semiconductor shortages ease, boosted further by demand recovery from the jewellery and industrial sectors. Investment demand should recover on expectations of continued substitution of palladium and robust future hydrogen economy demand.

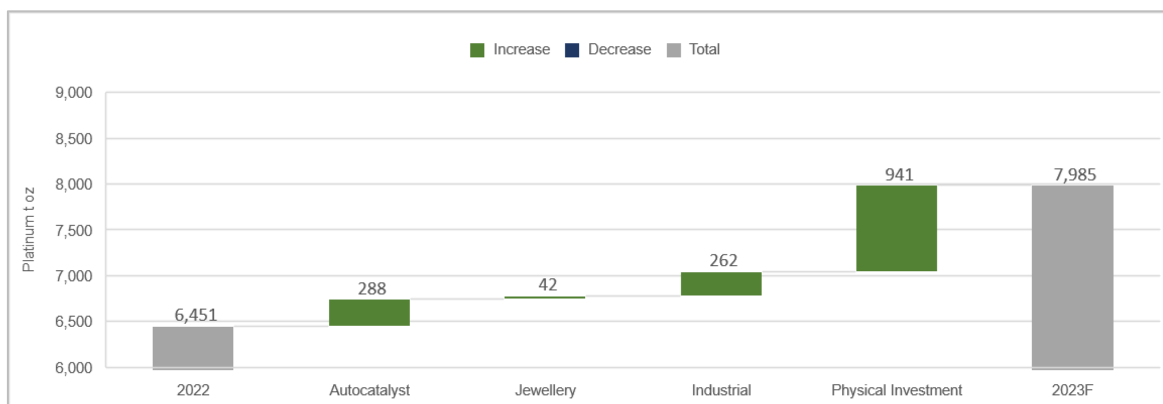
Afriforesight predicts that Palladium prices should increase over most of 2023 as auto-manufacturing demand improves alongside easing Covid restrictions in China but held back somewhat by global growth uncertainty initially. Prices are expected to decline thereafter as substitution with platinum by some autocatalyst manufacturers accelerates.

Rhodium prices are expected to generally increase over the period on constrained supply and auto manufacturing. demand growth recovery, supported by improving microchip availability and tightening global emission standards. Rhodium prices have the scope to maintain a significant premium over platinum and palladium, as rhodium is roughly four to seven (4-7) times more efficient in catalytic systems, especially for reducing nitrogen oxide ("NOx") emissions which have become the primary target for tightening regulations globally due to their direct impact on respiratory health.

Gold prices are expected to rise gradually driven by a volatile but likely weakening dollar, increasing investment and manufacturing demand as global growth concerns eases, continued firm safe-haven demand amid lingering geopolitical and pandemic risks and improving jewellery demand driven by innovative jewellery designs offered by manufacturers and increasing disposable income.

Operational challenges in South Africa are expected to remain until 2025, therefore the increase in the supply of platinum remains limited. Palladium is expected to rebound in ex-South African mine supply and growth looks more robust in the next few years.

Figure 2. Platinum demand changes over 2022 to 2023F



Source: J.P. Morgan Global Commodities Research 11 October 2022 - IHS Automotive, Metals Focus, World Platinum Investment Council, Johnson Matthey, J.P. Morgan Commodities Research

Figure 3. Platinum demand changes over 2021 to 2023F

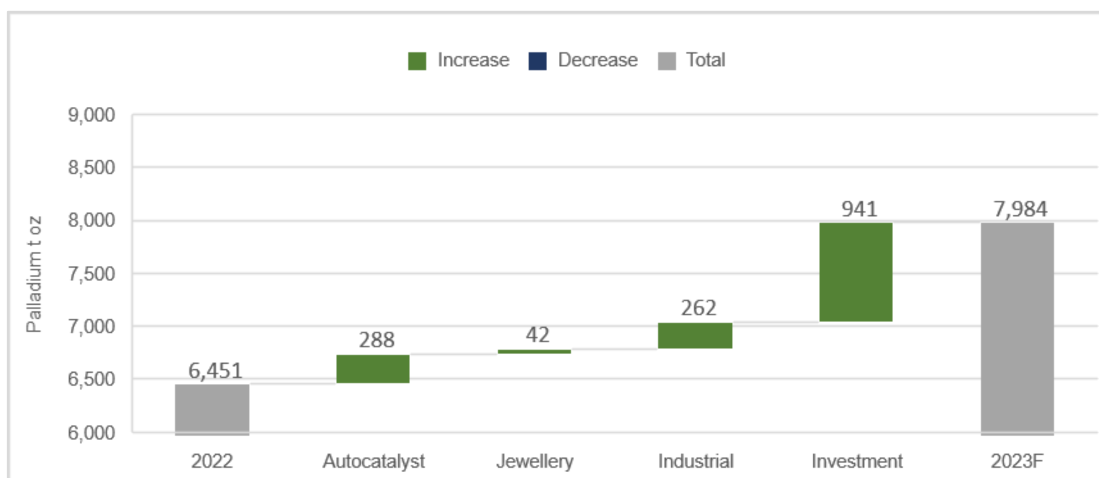
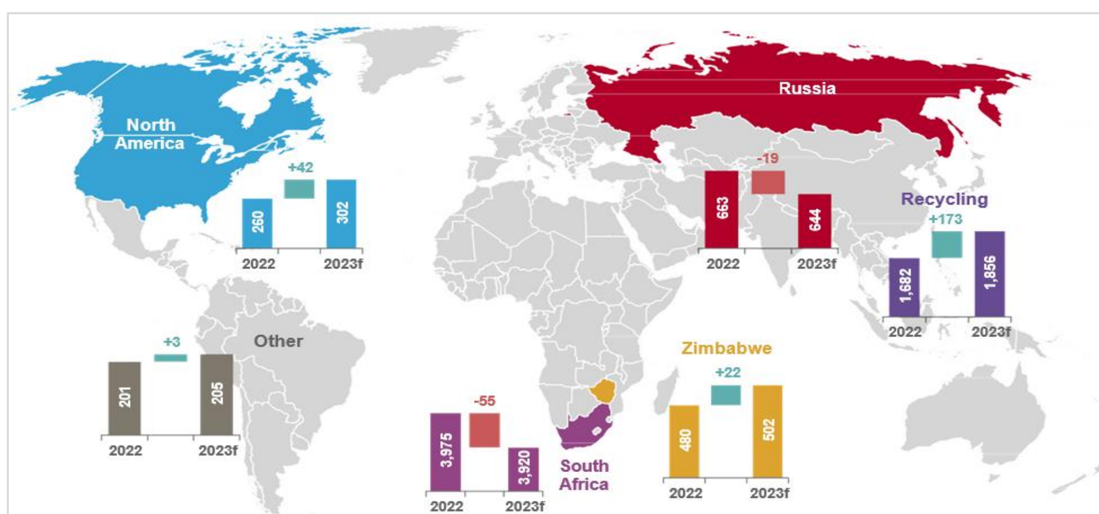


Figure 4. Platinum supply changes 2022 vs 2023F



Source: J.P. Morgan Global Commodities Research 11 October 2022 - Company reports, Metals Focus, Johnson Matthey, SFA (Oxford), IHS Markit, J.P. Morgan

1.6 Events after reporting period

Nedbank Credit facility

On January 31, 2023, a second drawdown of ZAR100 million (USD5.7 million) was made under the Nedbank Facility Agreement. The available Nedbank Facility as at January 31, 2023 amounted to ZAR100 million (USD5.7 million). Refer to note 13 for the details of the Nedbank Facility Agreement.

Investec RCF

On March 28, 2023, the Group entered into an RCF with Investec for deliveries of metal under the Northam Platinum Limited ("Northam") offtake agreement. This facility will be available from April 1, 2023, to up to March 31, 2024 for an aggregate amount of ZAR200 million (USD11.4 million).

On March 28, 2023 the RCF with Investec for metal deliveries under the Impala agreement was extended from April 1, 2023 to August 31, 2023 for an aggregate amount of ZAR250 million (USD14.2 million)..

The Industrial Development Corporation of South Africa Limited ("IDC") Credit facility

On March 27, 2023, PPM, as borrower, and the IDC, as lender entered into an agreement whereby it was granted a senior secured revolving credit facility in an aggregate amount equal to USD28.992 million (ZAR500 million) for a period of 5 (five) years. The facility is to be used for working capital purposes. Interest is calculated monthly on each advance at JIBAR plus a margin of 3.5%. There are no fixed repayment terms. On March 31, 2023, a drawdown of

USD11.19 million (ZAR200 million) was made. The IDC credit facility is subject to the Common Terms Agreement entered into on July 15, 2022, between PPM as the borrower and IDC as the lender amongst others.

1.7 Purpose of this MD&A

This MD&A is provided to enable the reader to assess the financial position and results of operations for the three- and twelve-months ended December 31, 2022, compared to the prior corresponding period. Certain information in this MD&A should be read in conjunction with the consolidated annual financial statements for the three- and twelve-month periods ended December 31, 2022, and the notes thereto (collectively, the "financial statements") prepared in accordance with International Financial Reporting Standards ("IFRS"). These documents can be found at www.sedibeloplatinum.com and www.sedar.com. Additional information about the Company is also available at www.sedar.com.

2. Review of operations

History

Stripping of topsoil and waste overburden commenced on the West pit in March 2008. Reef mining from the West pit commenced in December 2008. Delivery of the first concentrate to the Northam smelter took place in April 2009. Commercial production was declared on January 1, 2011.

Infrastructure development on the East pit commenced in January 2022 and the first reef from the East pit was delivered to the concentrator in June 2022. Management anticipates the East pit to reach commercial production in 2023.

Extraction and processing of ore (reef)

Due to the close proximity of the PGM-bearing Merensky and Pseudo reefs ("the silicate package") and the U2D package (containing the Upper Group 2 ("UG2") Reef) in this part of the Bushveld complex, both ore bodies are extracted through the West- and East pit. The silicate package is processed in the Merensky circuit of the concentrator and the U2D package routed through the Dense-Medium Separator ("DMS") and then processed in the UG2 circuit. The concentrates from both reef packages are blended and sold to local smelters for further processing into refined metals.

Construction of a chromite removal plant commenced in January 2017. The extraction of chromite from the UG2 circuit, represents an additional revenue stream at a small incremental operational cost. The plant was commissioned in September 2017, with revenue first received in March 2018. Care is taken not to compromise PGM production in the process of improving production of the chromite by-product.

Operations

Table 1: Operational performance for the three- and twelve-month period ended December 31, 2022

	Unit	For the three-months ended		For the twelve-months ended	
		Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
Reef delivered to the RoM pad [(a)]	Tonnes	661,453	642,952	2,432,199	2,255,720
Reef processed [(b)]	Tonnes	620,639	822,970	2,301,532	3,114,647
Reef milled	Tonnes	644,986	783,204	2,321,669	2,978,319
Average milled head grade	g/t	1.51	1.63	1.51	1.42
Average recovery rate [(c)]	%	54	69	56	71
Average recovered grade [(c)]	g/t	0.60	1.12	0.76	1.01
4E ounces dispatched and sold [(d)]	Oz	17,353	28,831	68,645	97,641
4E basket price [(e)]					
- USD	USD	2,063	2,084	2,243	2,679
- ZAR	ZAR	36,364	32,122	36,510	39,484
Total revenue per 4E ounce [(f)]	ZAR	36,187	35,635	39,766	40,454
Gross revenue from metal sales					
- USD	USD'000	36,144	66,186	167,447	265,520
- ZAR [(g)]	ZAR'000	627,966	1,027,391	2,729,735	3,949,992

(a) RoM is defined as run of mine.
(b) Reef processed means the reef tonnes mined that either upgraded using the DMS plant and/or milled. The total tonnes processed equal the tonnes mined, adjusted for unprocessed ore inventory.
(c) The average recovery rate and grade are based on the monthly actual production and does not take into account any metal pipeline changes as a result of new assay information that becomes available.
(d) Metal produced and declared is based on provisional assay results and therefore subject to change until such time that final assay results are received. These changes are not material. The metals dispatched and sold includes pipeline changes.
(e) Basket price for 4E (platinum, palladium, rhodium, and gold).
(f) Total revenue per 4E ounce is calculated by dividing the gross revenue from metal sales in ZAR by the 4E ounces dispatched and sold.
(g) Gross revenue from metal sales is converted from USD to ZAR using the three- and twelve-month average USD/ZAR exchange rate.

Measured in USD, revenue decreased by 45% during the three-month period ended December 31, 2022 compared to the same period 2021.The decrease was attributable to the 40% decrease in 4E ounces dispatched, from a 7% decrease in the average milled feed grade, a 21% decrease in the average recovery rate and 46% decrease in the average recovered grade.

Measured in USD, revenue decreased by 37% during the twelve-month period ended December 31, 2022 compared to the same period 2021, due to the decrease in 4E ounces dispatched, amplified by the 16% decrease in the average USD 4E basket price. The decrease in ounces dispatched in the twelve-month period ending December 31, 2022, was due to a 22% decrease in the average recovery rate, even though the average milled head grade increased by 6% compared to the twelve-month period ended December 2021.To date, reef from the East pit has been low grade oxidised material. The oxidised material displays clogging characteristics that reduces milling throughput rates, has poor settling rates in the thickeners and requires long filtration times further leading to an elevated moisture content in the concentrate filter cake.

During the twelve-month period ending December 31, 2022, the concentrator was out of operation during March and April (no ounces were dispatched or sold during the month of April 2022) because of community disruptions that lasted four (4) weeks and for eighteen (18) days in July 2022 following a penstock ring failure (Refer to Figure 7's commentary on the Concentrator production). During the comparative twelve-month period ending December 31, 2021, forty (40) days of production were lost following the annual maintenance shut down of the concentrator plant that was planned for a ten (10) day period beginning July 3, 2021; being extended to thirty (30) days due to unscheduled repairs to the tailing's thickener.

Figure 5. Mining Production

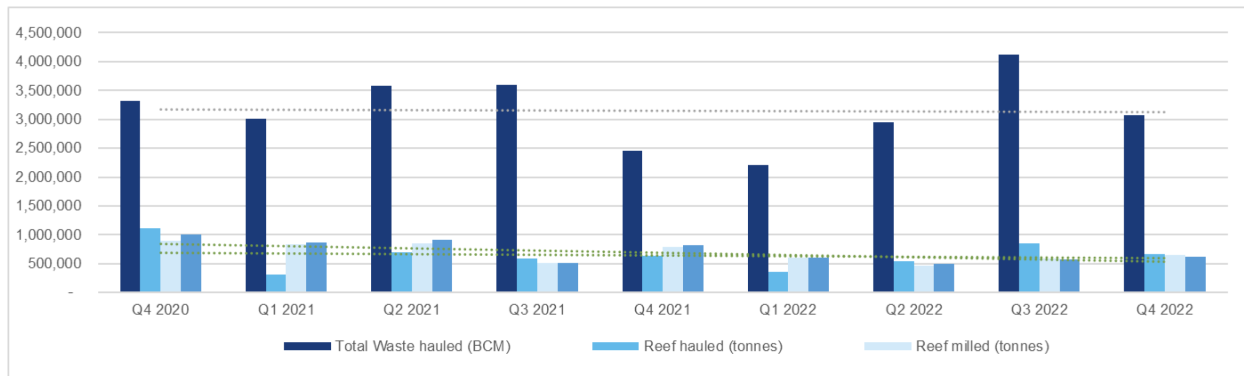
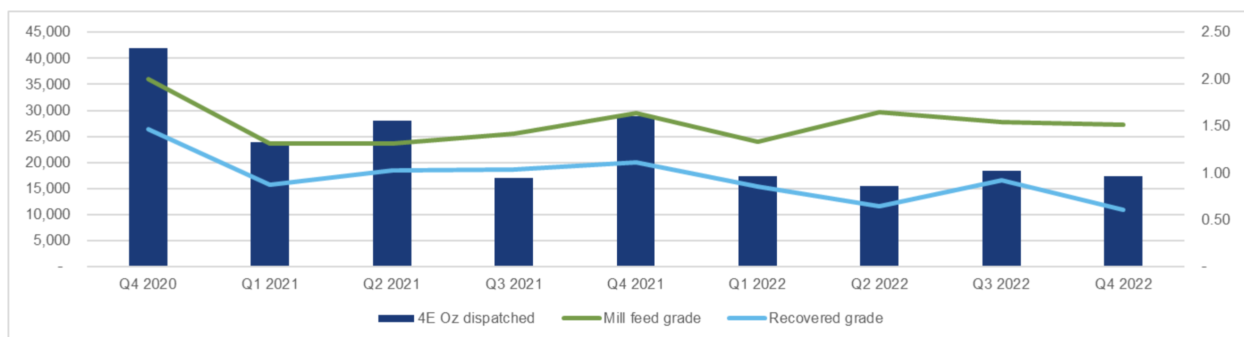


Figure 6. Concentrator Plant Production



Twelve-month period ended December 31, 2022

Production and mining were negatively impacted by the various challenges faced in the twelve-month period ended December 31, 2022. During the month of April 2022, zero ounces were dispatched or sold because of production days lost in the month March and April. Stoppages due to community unrest and excessive rainfall hindered safe mining activities. Production volumes were further impacted because of a lack of mining equipment from the appointed community contractors for reef mining in the East pit.

In the month of July 2022, during a routine tailings storage facility ("TSF") inspection, an abnormally high rate of release from the penstock outflow pipe was identified, resulting in management's decision to stop concentrator operations to curb the outflow of slurry from the plant to stop incremental material entering the TSF and to stop the flow of water into the decant towers.
Preliminary assessments established that the cause for the malfunction was a penstock ring failure in one of the secondary decant towers. The repair work took eighteen (18) days to complete, during which time the concentrator was out of operation. The total cost of the repairs was USD324.016 thousand (ZAR5.496 million). The remaining annual plant maintenance scheduled for August 2022 was conducted during this period.

Three-month period ended December 31, 2022

During the three-months ended December 31, 2022, the mill feed grade was 7% lower than the comparative period due to the lower grade material processed from the East pit. Performance was hindered by absenteeism over the festive season as well as rainy weather which precipitates frequent blockages in the process streams requiring intermittent blasting. Heavy rains and drenched unstripped areas, adversely affected the progress of stripping of top- and subsoil as both dumps were inaccessible and unsafe due to the slippery conditions. Metal recoveries was negatively impacted by difficult metallurgical response of the weathered ore. The highly oxidised fine material from the East pit delivers very high clay content that clogged up in certain areas of the plant and were difficult to recover and dry to an accepted moisture content for delivery to smelters. Continuous concentrator throughput will continue to be under pressure until the East pit delivers competent material to supplement and blend with West pit reef for optimal feed grade and recovery.

2.1 Exploration and development of other PGM properties

2.2.1 Pilanesberg exploration projects (on the Western Limb of the Bushveld Complex)

Total exploration expenditure on various Pilanesberg exploration projects was USD44 thousand (ZAR770 thousand) for the quarter ended December 31, 2022. Total exploration expenditure since the inception of the Pilanesberg exploration projects of USD4.608 million (ZAR78.167 million) has been capitalised in accordance with the Group's accounting policies in "Exploration and evaluation assets".

Work programme

The Pilanesberg exploration projects consist of properties adjacent to PPM.

2.2.2 Mphahlele Project (on the Eastern Limb of the Bushveld Complex)

During the quarter ended December 31, 2022, USD138 thousand (ZAR2.429 million) was spent on the Mphahlele project, bringing cumulative expenditure to date on the project to USD9.554 million (ZAR162.062 million), excluding acquisition costs. In accordance with the Group's accounting policies, these costs have been capitalised in "Exploration and evaluation assets".

Work programme

The focus for most of 2022 was community engagement and the execution of the mining right by the South African Minister of Mines. The mining right previously granted was executed on November 23, 2022.. The executed right permits the Company to commence with mining activities. A consulting firm was appointed to perform a gap analysis for any technical studies on the Environmental Impact Assessment to obtain a Water use license, which will commence in January 2023.

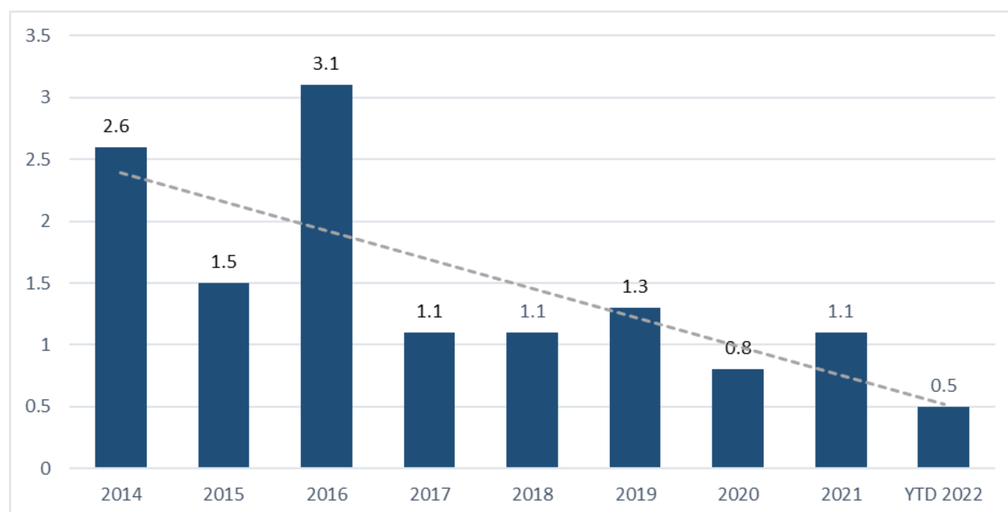
2.2.3 Grootboom Project (on the Eastern Limb of the Bushveld Complex)

On May 13, 2021, the Company sold the Grootboom project mining data for USD7 thousand (ZAR100 thousand). The cumulative expenditure to date on the project of USD2.928 million (ZAR44.318 million) was written off to profit/loss during the year ended December 31, 2021. These costs were previously capitalised in "Exploration and evaluation assets".

2.2 Safety

The Group strives for zero harm to employees and contractors. PPM recorded 7.04 million fatality free shifts ("FFS") as at December 31, 2022. The FFS extend over a thirteen-year period. PPM endeavours to intensify the drive to a zero-harm culture across all its operations. Notably, the concentrator operation achieved 2,067 days without any Lost Time Injury ("LTI") on December 31, 2022. Since 2016, PPM has managed to significantly reduce the LTI Frequency Rate. PPM recorded nil (0) LTI's during the three-month period ended December 31, 2022. Two (2) LTI's were recorded in the twelve-month period ended December 31, 2022.

Figure 7. 2014 – YTD 2022 Lost Time Injury Frequency Rate



2.3 *Environmental matters*

Overview

The Company conducts exploration on its key projects and prospects subject to mineral exploration permit applications made to and issued by the Department of Mineral Resources and Energy ("DMRE"). For each exploration programme, a rehabilitation plan is included with the application and, where required, the relevant guarantees are put in place with the DMRE in respect of the rehabilitation work that must be carried out when the programme is complete. All such environmental guarantees are put in place in the normal course of business.

Environmental guarantees are released by the DMRE on completion of the obligations in terms of the rehabilitation plans contained within either the application for the prospecting permits, or the mining right.

PPM rehabilitation

As at December 31, 2022, the Company had USD21.341 million (ZAR362.014 million) in guarantees with the DMRE. The guarantees have been provided on an insurance basis with a portion of the total guaranteed value being paid into a separate bank account controlled by the Group and ceded in favour of the insurance company.

The current rehabilitation provision reflects an unscheduled closure scenario where cost estimates were determined using the DMRE Master Rates, as per the requirements of the DMRE Guideline Document for the Evaluation of Quantum of Closure Related Financial Provision Provided by a Mine (January 2005). A separate project is being conducted to align the costing with the requirements of the Financial Provision Regulations for Mine Rehabilitation and Closure promulgated on November 20, 2015 ("GN R. 1147") under the National Environmental Management Act, No. 107 of 1998, as amended. The compliance date has been extended to September 19, 2023. Based on transitional arrangement of GN R. 1147, mining right holders can still determine closure cost using the DMRE method of calculation. The Group foresees a significant increase to the value of its closure costs and the guarantees that will have to be provided after the implementation of GN R. 1147.

Rehabilitation of other development projects

Guarantees required by the DMRE for prospecting and mining rights held by the Group were provided by way of both cash and insurance-backed guarantees. The insurance-backed guarantees were issued by the Lombard Insurance Group ("Lombard"). The Group makes ongoing contributions to fund the balance of the liability over the remaining life of the prospecting permit. As at December 31, 2022, the Group had USD7.646 million (ZAR129.702 million) in guarantees with the DMRE for other projects.

Tailings storage facility ("TSF")

In 2021 PPM embarked on a three-year program to implement a risk-based tailings dam monitoring system - Tailings Protect. The project is progressing well and is in the final year of implementation. Tailings Protect's core business function is to provide risk-based insurance solutions that aim to achieve improved terms/pricing and compliance with the Global Industry Standards on Tailings Management and other widely recognised best-in-class standards. This is done through the provision of a 24/7 link to a risk-assessed tailings monitoring system. PPM successfully implemented the Tailings Protect program of a risk-based tailings dam monitoring system and completed the TSF dashboard. The dashboard will allow live monitoring of critical parameters online. The operation currently only has one (1) TSF. The TSF is deemed stable under current configuration and operational conditions. Focus will remain on the technical aspects of the TSF and enhanced alignment with the Global Industry Standard on Tailings Management.

Climate considerations

The Group is cognisant of the need to reduce and eventually eliminate Greenhouse Gas emissions from our processes. Our ambition is to achieve net zero total emissions no later than 2040. In order to achieve this, the Group has the following initiatives under way:

(i) Renewable Energy

The Group has been through a process to procure renewable energy for Pilanesberg Platinum Mine. Following a request for proposals the Group signed a Memorandum of Understanding with Sturdee Energy ("Sturdee") for the provision of wind and solar energy, as well as further investigation of energy storage solutions. The Group also appointed Meridian Economics to provide advisory and energy modelling services. Following the conclusion of the modelling and the consideration of options, the Group has elected to procure 47MW of wind power through a wheeling arrangement with Sturdee, and to build a solar plant to provide approximately 55MW of power, at or adjacent to the mine.

In order to procure the wind energy, the Group intend to enter into a Power Purchase Agreement with Sturdee. The wind energy will be provided via a wheeling arrangement from a wind farm in the Western Cape. The site of the wind farm is highly favourable in that it has grid connection rights, has completed most of the regulatory processes required, and provides an excellent wind resource. The Group has negotiated a Power Purchase Agreement with Sturdee, the drafting of which was substantially complete at the end of 2022. The wind farm will be owned and operated by Sturdee and will provide energy to PPM via a wheeling arrangement with Eskom. The facility is expected to provide energy to the mine by Q1 of 2025. If the plant generates as expected, it will provide about half of the mine's requirements at that time. In addition, the Group plans to build a solar facility at or adjacent to the mine. This will allow us to meet the growing energy needs of the mine, especially as the Group makes progress with our underground project. The solar facility will provide approximately 55MW of energy, allowing us to provide a substantial portion of our growing electricity requirements by 2030. Planning of the solar facility is still in the initial stages. The Group plans to add battery storage facilities and the Group is keeping a close eye on the price of utility-scale batteries suitable to our conditions.

(ii) Kell Plant

- The Group plans to construct a Kell Plant at PPM, employing cost- and energy efficient Kell technology. Kell technology is expected to reduce energy consumption significantly when compared with the traditional smelting process. It is also expected to reduce emissions of SO_2 and other pollutants.

Carbon emissions

Our current carbon emissions are as follows:

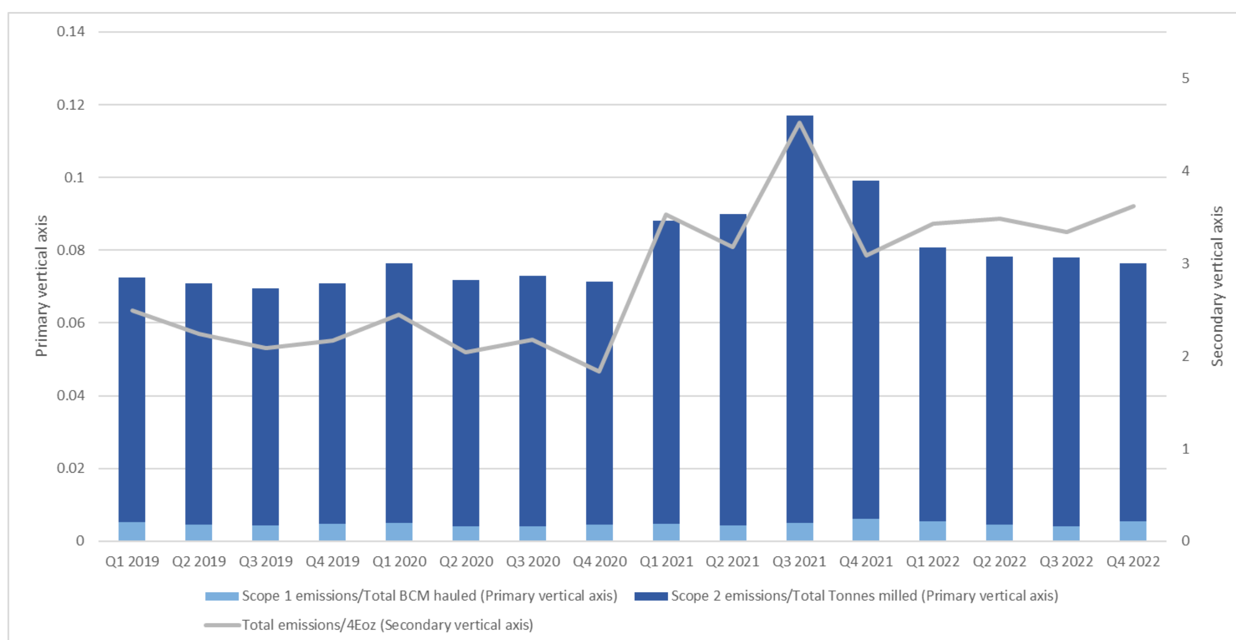
Scope 1 (energy-direct emissions) from fossils fuels, consisting of combustion of diesel (50ppm sulphur) and mobile equipment and blasting explosives, contributed 27% of the total generated carbon equivalent emissions the twelve-month period ended December 31, 2022. Scope 2 (indirect-energy source) emissions from the consumption of Eskom Holdings Limited ("Eskom") (the South African state utility provider) electricity accounted for 73% of the total carbon equivalent emissions for the twelve-month period ended December 31, 2022.

Total emissions/4Eoz increased by 2% quarter-on-quarter (Q4 2022 compared to Q3 2022), due to the decrease in the average milled feed grade and lower concentrate recoveries on the reef processed. The material from the East pit continues to deliver excessive moisture in the concentrate, negatively impacting the electricity efficiency usage because of plant shutdowns to clean the fine clay material clogging up chutes and other parts in the concentrator plant.

Scope 1 emissions per Bank Cubic Metre ("BCM") hauled did not significantly fluctuate quarter-on-quarter.

Scope 2 emissions per tonnes milled did not significantly fluctuate quarter-on-quarter.

Figure 8. Quarterly Co_2 emissions



3. Overall performance

3.1 Reporting currency and periods

As mining and exploration activities are conducted in South Africa and most transactions are denominated in South African rand ("ZAR", "Rand" or "R"), this is the Group's functional currency. In this MD&A, financial amounts have been converted to and are reported in United States dollars ("USD"), the Group's presentation currency.

Table 2. Relevant exchange rates to the USD

	As at Dec 31, 2022	Average twelve-months ended Dec 31, 2022	Average three-months ended Dec 31, 2022	As at Dec 31, 2021	Average twelve-months ended Dec 31, 2021	Average three months ended Dec 31, 2021
South African rand (USD:ZAR)	16.96	16.37	17.63	15.90	14.78	15.42

3.2 Financial condition

Table 3. Financial condition as at December 31, 2022

	As at Dec 31, 2022 USD'000	As at Dec 31, 2021 USD'000
Cash and cash equivalents	155,376	140,595
Other current assets	77,864	93,661
Total current assets	**233,240**	**234,256**
Restricted investments and guarantees	18,601	18,432
Other non-current assets	952,669	927,268
Total non-current assets	**971,270**	**945,700**
Total assets	**1,204,510**	**1,179,956**
Current liabilities	48,975	61,786
Non-current liabilities	136,942	24,516
Total liabilities	**185,917**	**86,302**
Total shareholders' equity	1,027,734	1,101,341
Non-controlling interests	(8,141)	(7,687)
Total equity	**1,018,593**	**1,093,654**
Other information		
Key financial ratios:		
Current ratio[a]	4.76	3.79
Working capital[b]	184,265	172,470
Debt/equity ratio[c]	18.11%	7.84%

(a) Current ratio = current assets / current liabilities.

(b) Working capital = current assets - current liabilities.

(c) Debt to equity ratio = total liabilities / shareholders' equity.

SRL's non-current asset base comprises primarily of mining properties, plant and equipment and mine development, reflecting the capital-intensive nature of mining. Other significant assets include intangible assets, cash and cash equivalents, trade and other receivables and a deferred tax asset. Trade receivables include the PGM sales pipeline, which is the PGM and base metal deliveries to clients of up to three to five months.

Total assets increased by USD24.553 million during the twelve-months ended December 31, 2022, net of a decrease of USD77.695 million in the presentation currency because of a 7% weaker ZAR. The net increase can be attributed to:

- Additions to mining assets of USD1.052 million relating to exploration costs capitalized;
- Additions to property, plant and equipment of USD105.549 million, of which USD62.125 million relates to mining cost capitalized to the East pit developing mining operation, USD25.750 million relates to costs capitalized to the underground mining project and the remaining additions relates mainly to the purchase of plant equipment and the construction of a medical centre;

- Cash and cash equivalents increasing to USD24.080 million, excluding the foreign currency translation difference on the balance, and is the net result of a USD100 million stream prepayment from Orion, a USD18.403 million drawdown made on the Nedbank facility, offset by the net repayment of the revolving commodity facility of USD10,923 million and the cash utilised for the development of the East pit and the underground mining project; partially offset by
- A decrease in mining assets of USD6.649 million (including amortization relating to the twelve-month period ended December 31, 2022 of USD282 thousand) as a result of an out-of-period adjustment recognised in the twelve-month period ended December 31, 2022 (Section 8);
- A decrease of intangible assets of USD8.580 million, USD7.748 million relates to research and development costs for the Rados technology project that was impaired during the 2022 financial year end, having placed the Rados technology project on care and maintenance; and
- A USD14.136 million decrease in trade and other receivables, because of a 38% decrease in 4E ounces in the unpaid metal pipeline, partly offset by a 5% decrease in the ZAR 4E basket price as at December 31, 2022, compared to as at December 31, 2021.

Total liabilities increased by USD99.615 million during the twelve-months ended December 31, 2022, net of a decrease of USD4.787 million in the presentation currency because of a 7% weaker ZAR. This increase was mainly due to:

- A drawdown made of USD18.403 million against the Nedbank facility;
- An increase in the share-based payment obligation of USD5.699 million;
- Recognition of the USD100 million stream prepayment from Orion; partially offset by a positive IFRS 9 fair value adjustment of USD8.018 million recognised and stream payments of USD1.994 million for the year ended December 31, 2022;
- An increase in the closure provisions for the Western Limb operating and development assets; partially offset by
- A decrease in trade payables and accrued liabilities as result of lower mining volumes during the three-month period ended December 31, 2022;
- A decrease in the revolving commodity liability because of decrease in 4E ounces produced.

The Group's working capital increased from USD172.470 million as at December 31, 2021, to USD184.265 million as at December 31, 2022. The Group's current ratio improved from 3.79 as at December 31, 2021, compared to 4.76 as at December 31, 2022. Both these metrics were positively impacted by the USD100 million stream prepayment received from Orion.

SRL's capital structure is historically comprised of shareholders' equity and low levels of debt. As at December 31, 2022, the debt-to-equity ratio was 18.11% compared to 7.84% as at December 31, 2021. The increase is a result of the stream prepayment with Orion and the utilization of the Nedbank facility.

3.3 Financial performance for the three- and twelve-month periods ended December 31, 2022

The Group recorded a net loss after tax of USD17.280 million and USD7.078 million for the three- and twelve-month periods ended December 31, 2022. This compared to a net profit after tax of USD7.867 million and USD33.172 million for the three- and twelve-month periods ended December 31, 2021.

Revenue and cost compared to the prior year periods were significantly influenced by the conversion from the Group's functional (ZAR) to the Group's presentation (USD) currency. The ZAR weakened by 14% and 11% from the comparative three- and twelve-month periods.

Table 4. Financial performance for the three- and twelve-month periods ended December 31, 2022

	For the three-months ended		For the twelve-months ended	
	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Revenue	36,144	66,186	167,447	265,520
Cost of operations	(42,933)	(46,494)	(147,562)	(184,252)
Gross (loss)/profit	**(6,789)**	**19,692**	**19,885**	**81,268**
Administrative and general expenses	(1,962)	(10,648)	(30,630)	(32,511)
Fair value (loss)/gain	(4,677)	-	8,018	-
Foreign exchange (loss)/gain	(1,156)	2,864	4,187	5,015
Impairment of intangible asset	(7,748)	-	(7,748)	-
Other income/(expenses)	300	80	1,971	(2,599)
Operating (loss)/profit	**(22,032)**	**11,989**	**(4,317)**	**51,173**

Finance income	3,380	1,484	9,373	5,532
Finance costs	(944)	(599)	(3,504)	(4,146)
Share of loss of investments accounted for using the equity method	(46)	(259)	(913)	(786)
(Loss)/profit before income tax	**(19,642)**	**12,614**	**639**	**51,773**
Income tax credit/(expense)	2,362	(4,747)	(7,717)	(18,601)
(Loss)/profit for the period	**(17,280)**	**7,867**	**(7,078)**	**33,172**
Other comprehensive profit/(loss)	**55,389**	**(71,768)**	**(68,134)**	**(94,581)**
Exchange difference on loans designated as net investments	3,619	(7,759)	783	608
Exchange difference on translation from functional to presentation currency	52,073	(63,633)	(68,764)	(95,182)
Share of other comprehensive (loss)/profit of investment accounted for using the equity method	16	(328)	58	83
Movements in other reserves	(364)	(48)	(256)	(90)
Derecognition of investment in subsidiaries	45	-	45	-
Total comprehensive profit/(loss)	**38,110**	**(63,901)**	**(75,212)**	**(61,409)**

Revenue:

Table 5. Disaggregation of revenue

	For the three-months ended		For the twelve-months ended	
	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Platinum	14,339	12,878	43,354	66,033
Palladium	8,521	15,277	40,870	56,236
Rhodium	16,322	31,309	65,402	106,720
Gold	714	1,282	3,109	4,159
4E	**39,896**	**60,746**	**152,735**	**233,148**
Other minerals	3,737	6,983	22,200	25,785
Total revenue from contracts with customers	**43,633**	**67,729**	**174,935**	**258,932**
Commodity price adjustment	(7,489)	(1,543)	(7,488)	6,587
Total revenue	**36,144**	**66,186**	**167,447**	**265,520**

The Company generates all its revenues from sales of its metals: 6E and other base metals (copper, nickel and chrome). Sales of 4E contributed 91% and 87% to our total revenue from contracts with customers during the three- and twelve months ended December 31, 2022 respectively, compared to 90% and 90% in the comparative period.

Revenue is recognized when the buyer, pursuant to a sales contract, obtains control of the product, which constitutes the performance obligation. The sales price and quantities are determined on a provisional basis at the date of delivery. Adjustments to the sales price occurs based on movements in the metal market price, metal content quantities and exchange rate, which represent variable transaction price components, up to the date of final pricing and assays. Final pricing is based on the monthly average market price in the month of settlement. The period between provisional invoicing and final pricing is typically between three and five months. Revenue on provisionally priced sales is initially recorded at the monthly average market price in the month of sale and the assayed quantities. Adjustments in respect of final assayed quantities and/or prices arising between the date of recognition and the date of settlement are recognized in the period in which the adjustment arises and reflected through revenue and receivables.

For the three-months ended December 31, 2022 and December 31, 2021:

Revenue decreased by USD30.042 million, or 45%, from USD66.186 million for the three-months ended December 31, 2021 to USD36.144 million for the three-months ended December 31, 2022. The net movement was the result of:

- A 40% decrease in 4E ounces dispatched; and
- a 1% decrease in the average USD 4E basket.

For the twelve-months ended December 31, 2022 and December 31, 2021:

Revenue decreased by USD98.037 million, or 37%, from USD265.520 million for the twelve-months ended December 31, 2021, to USD167.447 million for the twelve-months ended December 31, 2022. The net movement was the result of:

- A 30% decrease in 4E ounces dispatched; and
- A 16% decrease in the average USD 4E basket.

Figure 9. PGM price evolution

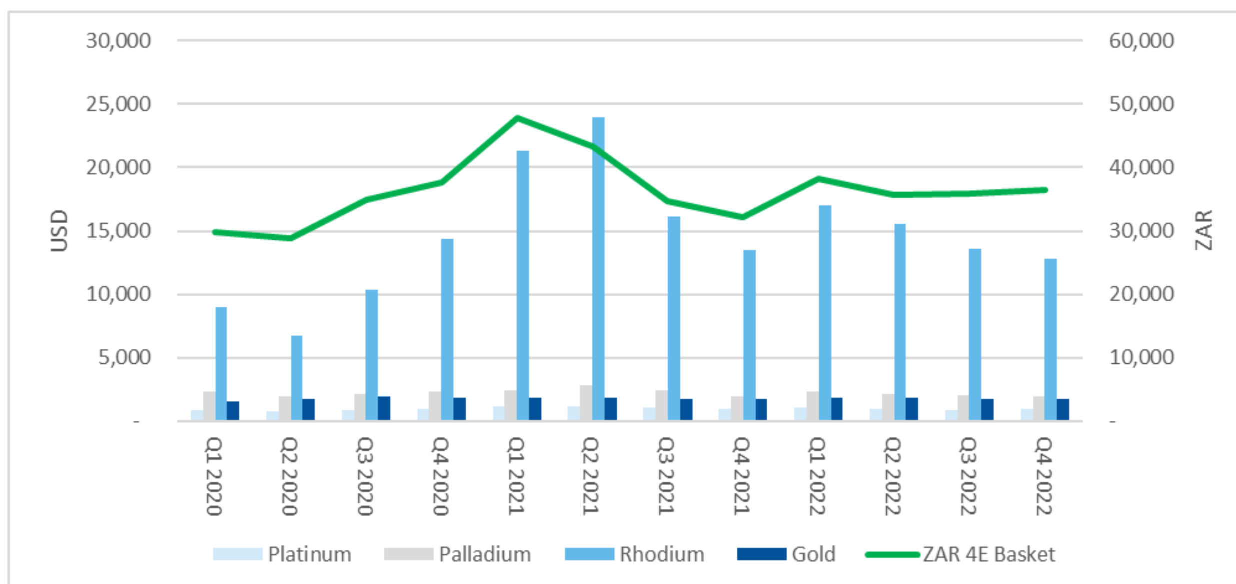
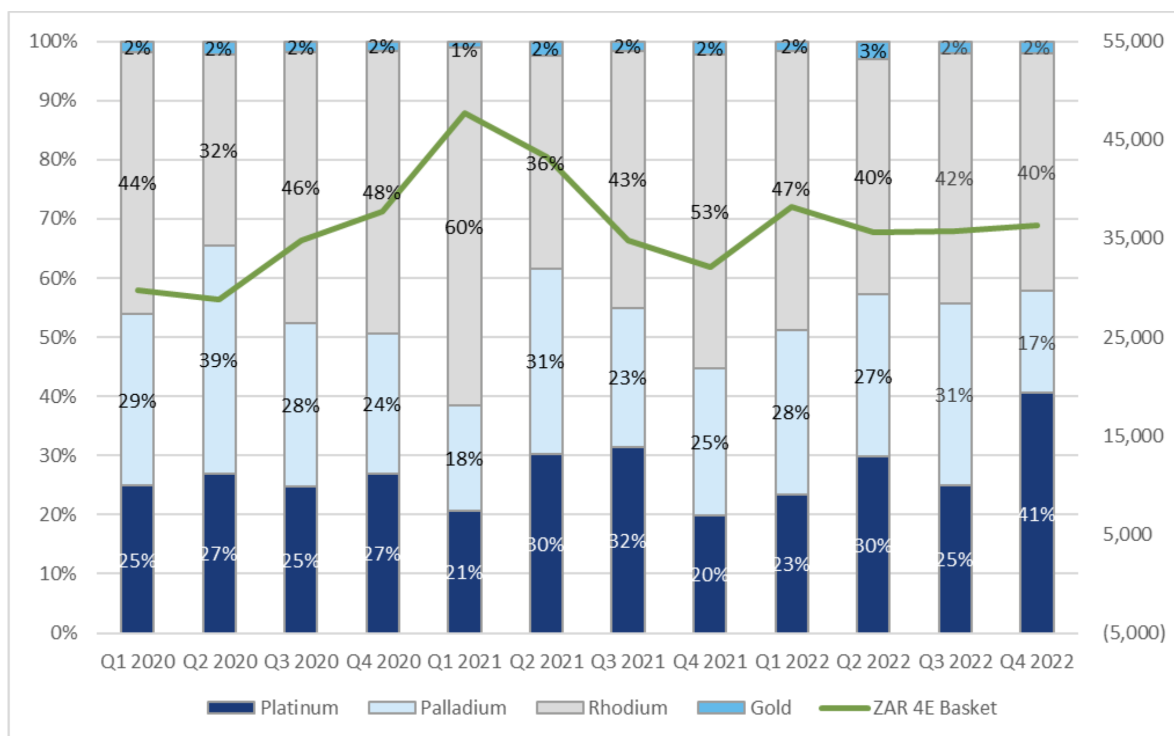


Figure 10. Metal contribution to 4E revenue



The ZAR 4E basket increased during the three-month period ended December 31, 2022 as a result of the ZAR depreciating against the USD. Measured in USD, the 4E basket prices decreased during the three-month period ended December 31, 2022, compared to the same period in 2021.

During the twelve-month period ended December 31, 2022, the ZAR 4E basket price decreased compared to the comparative period; mainly due to a 21% decrease in the Rhodium market price.

Cost of operations:

Table 6. Cost of operations breakdown

	For the three-months ended		For the twelve-months ended	
	Dec 31, 2022 USD'00	Dec 31, 2021 USD'000	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
On-mine operations				
Materials and mining costs	(13,121)	(22,276)	(59,977)	(90,733)
Total on-mine operations costs	**(13,121)**	**(22,276)**	**(59,977)**	**(90,733)**
Concentrator plant operations				
Materials and other costs	(9,031)	(8,037)	(30,563)	(31,878)
Utilities	(3,410)	(4,150)	(14,841)	(16,912)
Total concentrator plant operations	**(12,441)**	**(12,187)**	**(45,404)**	**(48,790)**
Beneficiation				
Smelting and refining costs	(3,267)	(4,122)	(9,362)	(12,835)
Total beneficiation costs	**(3,267)**	**(4,122)**	**(9,362)**	**(12,835)**
Other costs				
Transportation	(59)	(100)	(266)	(435)
Salaries	(6,190)	(5,911)	(21,469)	(21,172)
Total other costs	**(6,249)**	**(6,011)**	**(21,735)**	**(21,607)**
Sub-total	**(35,078)**	**(44,596)**	**(136,478)**	**(173,965)**
Amortization and depreciation of operating assets	(7,920)	(2,159)	(11,976)	(7,956)
Inventory adjustments	65	261	892	(2,331)
Total cost of operations	**(42,933)**	**(46,494)**	**(147,562)**	**(184,252)**

For the three-months ended December 31, 2022 and 2021:

Cost of operations decreased by USD3.561 million, or 8%, from USD46.494 million in 2021 to USD42.933 million in 2022. The decrease in cost presented is because of lower volumes mined from the West pit compared to the same period in 2021. Mining cost relating to the East pit will be capitalised, including drilling, blasting and waste stripping until the open pit development reaches steady state production.

The concentrator plant operations materials and other costs increased by USD994 thousand, or 12%, as a result of the general high inflationary environment. The impact of the Russian invasion of Ukraine is still evident in the cost of diesel, emulsion and reagents. The ongoing load shedding implemented by the South African power provider, Eskom has led to the operations having to manage load curtailment during most of the period that gave rise to additional cost, specifically diesel for operating a back-up generation plant.

Salaries increased by USD279, or 5%, because of inflationary increases year on year.

For the twelve-months ended December 31, 2022 and 2021:

Cost of operations decreased by USD43.337 million, or 24%, from USD184.252 million in 2021 to USD140.915 million in 2022. Measured in ZAR cost of operations decreased by 14% and 16% during the three- and twelve-month periods ended December 31, 2022.

Overall, a decrease in total mining- and plant operations during the three- and twelve-month periods ended December 31, 2022, has resulted in a general decrease in operating cost because of various production disruptions. However, certain cost has increased compared to the prior year comparative periods due to supply chain disruptions caused by the ongoing Russian Invasion of Ukraine and other macro economic factors, specifically:

- The price of diesel which has seen a double digit increase since the start of 2022. Diesel is used in all load and haul activities in the open cast mining operations and constitutes a significant cost component of the Company's operations.
- The price of emulsion for blasting activities which has been impacted by the cost of ammonia, which has also seen double digit increases in the past twelve months.
- The prices of certain reagents used in the floatation cells of the concentrator plant and the tailings scavenging plant.
- The cost of electricity in South Africa rising more than annual inflation.

In addition to the increased costs owing to the increased prices for the items described above, the following cost components have been influenced by the development of and transition to the East pit:

- Longer haulage distances to supply reef to the concentrator plant.
- Efficiencies of reagents and grinding media negatively influenced by the weathered material processed from the East pit.
- The efficiency in the use of electricity having been negatively affected because of various interruptions to the plant operations.

The above efficiencies should improve once mining reaches a level that will deliver competent material at a stable rate.

An out-of-period adjustment of USD6.367 million was recognised on amortization in the three- and twelve-month periods ended December 31, 2022. Refer section 8.

Table 7. Administrative and general expenses breakdown

	For the three-months ended		For the twelve-months ended	
	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Amortization and depreciation	(127)	(338)	(697)	(900)
Audit fees[(a)]	10	(7)	(399)	(483)
Community projects	(75)	(1,030)	(2,857)	(3,586)
Consulting and professional fees	(24)	330	(4,703)	(3,805)
Consumables	(22)	(305)	(461)	(1,268)
Employee expenses	(1,086)	(4,580)	(13,218)	(10,943)
Insurance fees	(4)	(328)	(1,271)	(1,350)
IT related costs	(71)	(304)	(773)	(857)
Learnerships and bursaries	(8)	(53)	(507)	(500)
Other administrative and general expenses	(445)	(2,835)	(2,937)	(5,320)
Rehabilitation management fees	(12)	(90)	(259)	(363
Royalty expense	(28)	(561)	(697)	(1,269)
Security	(70)	(548)	(1,851)	(1,867)
Total administrative and general expenses	**(1,962)**	**(10,649)**	**(30,630)**	**(32,511)**

(a) Audit fees was a credit for the three-month period ended December 31, 2022 as a result of IPO related audit fees being capitalised.

Administrative and general expenses totalled USD1.962 million and USD30.630 million for the three- and twelve-months ended December 31, 2022, compared to USD10.649 million and USD32.511 million for the comparative periods.

Administrative and general expenses for the three- and twelve-month periods ended December 31, 2022, decreased by 82% and 6% respectively. Measured in ZAR administrative and general expenses decreased by 75% and increased by 3% during the three- and twelve-month periods ended December 31, 2022, respectively.

Measured in ZAR the net decrease for the three-month period ended December 31, 2022, was the result of a year-to-date reallocation of cost. A portion of the administrative and general expenses for the year was allocated to the East pit and the Underground mining project in line with IAS 16, 'Property, plant and equipment' in the balance sheet.

Measured in ZAR the net increase for the twelve-month period ended December 31, 2022, was the result of:

- An increase in consulting and professional fees because of the increase in corporate activities, including the legal and due diligence costs relating to the Orion and Nedbank facility agreements;
- An increase in employee expenses due to the share-based payment expense recognised (a long-term incentive plan was introduced in Q3 2021), inflationary increase in salaries year-on-year, the appointment of three (3) additional non-executive board members and market adjustments to remuneration;
- An increase in corporate travel expenditures, with Covid-19 restrictions having limited travel in the comparative periods; and
- An increase in security costs as additional costs were incurred due to the community unrest surrounding the mining operation, partially offset by
- A decrease in consumable and hygiene spent because of fewer Covid-19 regulations and requirements.

Fair value gain

A positive fair value adjustment of USD8.081 million was recognised on the stream prepayment for the period ended December 31, 2022 due to an increase in US treasury rates from July 2022 (date of initial recognition), partially offset by an increase in certain spot prices. USD253 thousand of the fair value adjustment relates to the amortisation of the day one fair value adjustment.

Impairment of intangible asset

An impairment of intangible asses of USD7.748 million was recognised during the twelve-month period ended December 31, 2022 on Development costs previously capitalised against the Rados project, due to the Rados project being placed on care and maintenance. The project was intended to improve material recovery in the plant. Based on the current mining operations, the system was not fit to use at the low volumes of mining planned and as a result management made the decision to impair the asset.

Foreign exchange gain

A net foreign exchange loss was recorded in "foreign currency denominated loans" and cash deposits held in USD accounts for the three-month period ended December 31, 2022, and a net foreign exchange gain for the twelve-month period ended December 31, 2022. The net movement is a result of the ZAR/USD rate appreciating by 6% and depreciating by 7% during the three- and twelve-month periods ended December 31, 2022, respectively. Most of the exchange differences are unrealized.

Finance income

Finance income totalled USD3.380 million and USD9.373 million for the three- and twelve-month periods ended December 31, 2022, compared to USD1.484 million and USD5.532 million for the comparative periods. Finance income for the three- and twelve-months ended December 31, 2022, increased by 128% and 69% respectively.

The movement was the result of interest earned on a higher average cash and cash equivalents balance during the period, amplified by interest earned at a higher interest rate during the three- and twelve-month periods ended December 31, 2022 compared to the comparative periods in 2021.

Table 8. Interest rate change

Date of change	Applicable rate
July 24, 2020	7.00%
November 19, 2021	7.25%
January 28, 2022	7.50%
March 25, 2022	7.75%
May 20, 2022	8.25%
July 21, 2022	9.00%
September 22, 2022	9.75%
November 24, 2022	10.50%

Finance costs

Finance costs totalled USD944 thousand and USD3.504 million for the three- and twelve-months ended December 31, 2022, compared to USD599 thousand and USD4.146 million for the comparative periods. Finance costs for the three- and twelve-months ended December 31, 2022, increased by 58% and decreased by 16% respectively.

The increase for the three-month period ended December 31, 2022 was due to an increase in the monthly accretion recognised on the decommissioning liability and the interest paid on the revolving commodity facility as a result of the increase in the interest rate during the three month period ended December 31, 2022 in comparison to the same period in 2021. The decrease for the twelve-month period ended December 31, 2022 was primarily due to the R500 million loan from IDC being settled in full on June 1, 2021.

Income tax expense

For the three-months ended December 31, 2022 and 2021:

During the three-month period ended December 31, 2022, an income tax credit was recognized, based on the loss for the period compared to the prior period profit. Furthermore, the three-month period ended December 31, 2022, had an increase in capital spent, resulting in an increase in the deferred tax asset recognised for the quarter.

For the twelve-months ended December 31, 2022 and 2021:

The net decrease in the income tax expense for the period was attributable to the decrease in taxable profits; partially offset against an adjustment to the deferred tax asset because of the South African corporate income tax rate changing from 28% to 27% in the current period. Permanent tax differences increased the taxable profit for the twelve-months ended December 31, 2022, resulting in an inequitable tax expense for the twelve-month period ended December 31, 2022 compared to the same period in 2022.

Profit/(loss) for the period

As a result of the foregoing, the profit decreased by USD24.948 million, from a USD7.867 million profit for the three-month period ended December 31, 2021, to a USD17.080 million loss for the three-month period ending December 31, 2022 and profit decreased by USD40.052 million, from a USD33.172 million profit for the twelve-month period ended December 31, 2021 to a USD6.879 million loss for the twelve-month period ending December 31, 2022.

Exchange difference on loans designated as net investment

The shareholder loan from SRL to Orkid S.à.r.l., had been used to fund the development of PPM and for the acquisition of PGM assets on the Western Limb in 2012. This loan is accounted for as a net investment. The Company adopted the accounting policy to account for these exchange differences in other comprehensive income.

The loan is denominated in ZAR and the functional currency of Orkid S.à.r.l. is the Euro. During the three- and twelve-month periods ended December 31, 2022, an exchange loss of USD3.636 million and USD800 million was recorded respectively, the result of the ZAR/EURO rate depreciating during the three- and twelve-month periods ended December 31, 2022, respectively.

Exchange difference on translation from functional to presentation currency

Exchange differences arising on the translation of equity from the functional currency to the presentation currency are recognised in other comprehensive income.

Shareholders Equity is measured at the historical exchange rate at the date of acquisition. Retained earnings are measured at the average historical exchange rate.

At the end of each reporting period, equity and retained earnings are remeasured at the period end closing exchange rate. The difference between the historical rates and the currency adjustment rate for the current year is recognised in the Foreign Currency Translation Reserve.

During the twelve-month period ended December 31, 2022, the USD/ZAR foreign exchange rate depreciated, resulting in a foreign exchange loss on translation from functional- to presentation currency.

Table 9. Selected Annual Information

	For the twelve-months ended		
	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000	Dec 31, 2020 USD'000
Revenue	167,447	265,520	277,572
(Loss)/profit attributable to owners of the Company	(6,741)	33,733	196,712
Total Assets	1,204,510	1,179,956	1,244,579
Total Non-Current Liabilities	136,942	24,516	43,763
Weighted average number of common shares outstanding	3,095,401,663	3,095,401,663	3,095,401,663
Per share			
Basic (loss)/earnings per share (cents)	(0.21)	1.09	6.35
Diluted (loss)/earnings per share (cents)	(0.21)	1.09	6.35

4. Summary of quarterly results

Table 10. Summary of quarterly results

USD'000 (except for per share information)	Dec'22	Sep'22	Jun'22	Mar'22	Dec'21	Sep'21	Jun'21	Mar'21
Revenue	36,144	42,048	36,192	53,063	66,186	35,511	68,023	95,800
Cost of operations	(42,933)	(38,670)	(29,364)	(36,595)	(46,494)	(45,373)	(48,484)	(43,901)
Gross profit/(loss)	(6,789)	3,378	6,828	16,468	19,692	(9,862)	19,539	51,899
Other operating cost	(10,566)	(7,657)	(3,101)	(10,896)	(7,704)	(6,253)	(9,846)	(6,292)
Fair value (loss)/gain	(4,677)	12,695	-	-	-	-	-	-
Net finance income/(cost)	2,436	1,918	883	633	885	845	239	(583)
(Loss)/profit from associate	(46)	(717)	(376)	225	(259)	(468)	135	(194)
(Loss)/profit before taxation	(19,642)	9,617	4,234	6,430	12,614	(15,738)	10,067	44,830
(Loss)/profit for the period	(17,280)	9,324	(2,317)	3,195	7,867	(12,785)	6,525	31,565
Total (loss)/profit attributable to owners of the Company	(17,074)	9,497	(2,242)	3,346	8,009	(12,642)	6,669	31,697
Basic (loss)/earnings per share (cents)	(0.55)	0.31	(0.07)	0.11	0.26	(0.41)	0.22	1.02
Diluted (loss)/earnings per share (cents)	(0.55)	0.31	(0.07)	0.11	0.26	(0.41)	0.22	1.02
ZAR:USD	17.63	17.03	15.57	15.25	15.42	14.62	14.13	14.96

Quarterly revenues have fluctuated from a high of USD95.800 million to a low of USD35.511 million over the prior two-year period. These fluctuations are due to the movements in the 4E basket price and increase/decrease in the ounces dispatched quarter-on-quarter. The profit/(loss) attributable to the owners of the Company fluctuated from a profit of USD31.697 million to a USD17.074 million loss. The movement is the result of revenue increasing/decreasing following an increase/decrease in ounces dispatched, with a corresponding fluctuation in cost of operations.

These financial statements of the Group have been prepared in accordance with International Financial Reporting Interpretations Committee ("IFRIC") interpretations, issued by the International Accounting Standards Board ("IASB") and applicable to the going concern requirements of The Companies (Guernsey) Law, 2008, applicable to companies reporting under IFRS. The financial information has been prepared using the historical cost basis, modified by the revaluation of financial assets and financial liabilities at fair value, and is presented in USD. The conversion rate to the presentation currency for the three-months and twelve-month periods ended December 31, 2022, was 14% and 11% higher than the rate for the three-months and twelve-month periods ended December 31, 2021 because of the depreciation of the Rand against the USD.

Events or uncertainties during the three- and twelve-month period ended December 31, 2022

The West open pit operation and developing East pit operation had been negatively impacted by community unrest and a shortage of available equipment from community contractors to deliver the mining volumes planned. Management intervention through open communication with the community and its leadership is ongoing.

5. Liquidity and Capital Resources

The Company is a holding company with no material assets other than its direct and indirect equity interests in its subsidiaries. The Company is, therefore, dependent on payments, dividends and distributions from its subsidiaries for funds to pay its operating and other expenses and to pay future cash dividends or distributions, if any, to holders of the ordinary shares. Deterioration in the financial condition, earnings or cash flow of the Company's subsidiaries for any reason could limit or impair their ability to pay such dividends or distributions, and the Company may have tax costs in connection with any dividend or distribution.

Additionally, the Company's principal subsidiary operates in South Africa, and as a result, the Company is currently subject to exchange controls enforced by the South African Reserve Bank ("SARB") that may restrict its ability to upstream funds. Furthermore, exchange rate fluctuation will affect the U.S. Dollar value of any distributions the Company's subsidiaries make with respect to its equity interests in those subsidiaries. The Company currently anticipates that any such restrictions or fluctuations will not impact its ability to meet the Company's cash obligations.

For further discussion, see "Risk Factors—Risks related to the Company's business and industry—The Company's holding company structure makes it dependent on the operations of its subsidiaries," "Risk Factors—Risks related to South Africa—Because PGMs and gold are generally sold in U.S. dollars, while the majority of the Company's production and a substantial amount of the Company's PGM production costs is denominated in South African rand, the Company's operating results and financial condition will be materially affected if there is a material change in the value of the "South African rand" and "Risk Factors— South African Exchange Control Regulations could materially constrain the Company's financial flexibility" in Appendix "A" hereto.

As at December 31, 2022, the Company had unrestricted cash and cash equivalents of USD155.376 million. Management of the Company believes that its current available cash and cash equivalents, the amended and restated revolving credit facility entered into between PPMPL, the Company and Investec Bank Limited ("Investec") dated March 31, 2017 (as amended from time to time), which had an aggregate facility limit of R900 million during the period, which limit was subsequently reduced to R509.580 million on November 2, 2022, the R500 million Nedbank facility and the projected cash flows from the Company's operating activities will be sufficient to meet its working capital requirements and certain capital expenditures in the ordinary course of business for the next twelve (12) months from December 31, 2022. Additional funding will have to be raised to ensure that the Underground project is delivered within the planned timeline.

5.1 Working capital

As at December 31, 2022, the Company's total working capital was USD184.265 million, composed of: (1) the sum of unrestricted cash and cash equivalents (USD155.376 million), inventory (USD11.894 million), loan receivables (USD1.211 million) and trade and other receivables (USD64.759 million); less (2) the sum of the short-term portion of the long-term incentive plan liability (USD717 thousand), the short-term portion of the stream prepayment (USD4.478 million), the outstanding balance under the revolving commodity facility available to the Company pursuant to the Investec RCF (USD20.157 million) and trade payables and accrued liabilities (USD23.623 million).

The Company's cash and cash equivalents are held in short-term and liquid interest-earning deposits at reputable financial institutions within South Africa and in the United Kingdom. As part of working capital management and ensuring sufficient cash is available for operational needs, the Investec RCF and the Nedbank facility is utilized on a continuous basis. For more information about the Investec RCF and the Nedbank facility, see "Liquidity and Capital Resources—Indebtedness" below. The funds received pursuant to the stream credit facility arrangement with Orion (discussed below) will also be utilized to fund the working capital of the open pits as well as the development of the underground mining project.

Orion Stream Agreements

The Group entered into three stream agreements with affiliates of Orion. Orion is a USD7.8 billion global asset management firm (as at June 30, 2022) that specializes in institutional investment strategies in precious and base metals and minerals, many of which are currently leveraged to stimulus and infrastructure spend and the push to decarbonize.

The stream agreements are made up of platinum, rhodium and palladium and gold streams. Orion advanced the following stream prepayment to the Group:

1. Platinum stream: USD40.2 million;
2. Palladium and gold stream: USD28.7 million; and
3. Rhodium stream: USD31.1 million

In consideration for the stream prepayment, the Group will sell and deliver to a metal account of Orion metal credits purchased on the London Bullion Market equal to the value of a certain percentage (designated metal percentage) of refined metals produced by the PPMPL West and East pit as well as the Sedibelo Underground mine once monthly.

The Company will receive a monthly cash payment equal to 20% of the value of the metal credits delivered to Orion.

The following designated metal percentages are applicable to each stream:

1. Platinum stream: 4.55%
2. Palladium and gold stream: 5.75%

3. Rhodium stream: See table 1. below. Options A to H in table 1 will depend on the occurrence of certain stream events (buy-back; production total achieved, and production total achieved plus mining depth). Column A is currently applicable.

Management has elected to irrevocably designate this prepayment amount received from Orion as a Financial Liability at Fair Value through Profit or Loss ("FVTPL").

As the precious metals price and precious metal price volatilities and risk-adjusted discount rates are unobservable inputs, the financial liabilities above are classified within Level 3 of the fair value hierarchy.

The fair value of the stream obligation was valued using a Monte Carlo simulation model. The significant assumptions developed by management used in the Monte Carlo simulation model included: the platinum, palladium, rhodium and gold forward price curve, the long-term price volatility between 15% and 46%, and a discount rate which factors in the Company's credit spread of 7%, the life of mine production schedule and expectations including expansion plans.

Table 1. Rhodium designated metal percentage

Monthly Avg. Rh Price (USD/oz)	A	B	C	D	E	F	G	H
Less than or equal to 5,000	4.30%	2.15%	1.08%	0.54%	4.30%	2.15%	0.54%	0.27%
Linear interpolation between								
Greater than 5,000 and less than 10,000	4.30% and 2.11%	2.15% and 1.055%	1.075% and 0.5275%	0.5375% and 0.26375%	4.30% and 2.11%	2.15% and 1.055%	0.5375% and 0.26375%	0.26875% and 0.131875%
Equal to 10,000	2.11%	1.055%	0.5275%	0.26375%	2.11%	1.055%	0.26375%	0.131875%
Linear interpolation between								
Greater than 10,000 and less than 15,000	2.11% and 1.44%	1.055% and 0.72%	0.5275% and 0.36%	0.26375% and 0.18%	2.11% and 1.44%	1.055% and 0.72%	0.26375% and 0.18%	0.131875% and 0.09%

The applicable designated metal percentage will decrease by the percentages and upon the occurrence of the following events:

• by 50% if the Company pays a buy back fee on any of the first five anniversaries of the date when the stream prepayment was received;
• by 75% after 4,664,704 ounces of the refined metals have been produced; and
• by 87.5% after 4,664,704 ounces of the refined metals have been produced and the mining area is below the depth of 700m from the surface.

The agreements will be effective for forty (40) years and thereafter shall automatically be extended for successive twenty (20) year periods unless there are no active mining activities, in which case these agreements shall terminate at the end of the initial term or such additional term, as applicable. The agreements may also be terminated by the Company or Orion on mutual written consent or by either party in the case of an event of default.

5.2 Restrictions on the repayments of inter-group loans

The Company's principal subsidiary, Platinum Investor Consortium Proprietary Limited ("PIC"), operates in South Africa and as a result is subject to the South African Exchange Control Regulations, 1961 (as amended from time to time) as promulgated in terms of section 9 of the South African Currency and Exchanges Act No. 9 of 1933 (the "Exchange Control Regulations") of the SARB. Any repayment of foreign currency loans by a South African company to an offshore company is subject to prior approval by the SARB.

The shareholder loan from SRL to PIC amounted to USD1.632 billion (ZAR27.681 billion) at December 31, 2022. The loan was used to fund the development of PPM and the acquisition of PGM assets on the Western Limb in 2012.

5.3 Cash flows

The following table shows the generation and use of cash for the periods indicated:

Table 11. Summarized cashflow statement

	For the three-months ended	
	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Cash and cash equivalents at the beginning of the period	**173,040**	**148,710**
Net cash generated from/(utilized in) operating activities	8,170	(6,450)
Net cash utilized in investing activities	(47,915)	(10,644)
Net cash generated from financing activities	23,034	16,473
Net decrease in cash and cash equivalents	**(16,711)**	**(621)**
Exchange profit/(loss) on cash and cash equivalents	(953)	(7,494)
Cash and cash equivalents at the end of the period	**155,376**	**140,595**

For the three-months ended December 31, 2022 and 2021:

Operating activities

Net cash generated from operating activities increased by USD14.620 million, from net cash utilized of USD6.450 million during the three-month period ended December 31, 2021, to net cash generated of USD8.170 million during the three-month period ended December 31, 2022. The movement is primarily due to the net result of a USD29 million decrease in trade and other payables during the three-month period ended December 31, 2021, partially offset by an operating loss recognised in the three-month period ended December 31, 2022, compared to the same period in 2021 recording an operating profit. The decrease of the cost of operations and consequent decrease in trade payables in the three-month period ended December 31, 2021, relates to the lower production volumes for the three-month period ended December 31, 2021 in comparison to the nine-month period ended September 31, 2021.

Investing activities

Net cash utilized in investing activities increased by USD37.271 million, from USD10.644 million during the three-month period ended December 31, 2021, to USD47.915 million during the corresponding period in 2022. This increase was primarily due to:

- An decrease of USD17.926 million in the investment in mining assets. This movement relates mostly to the costs capitalized to the underground mining project being classified against property, plant and equipment; and
- An increase of USD56.638 million in property, plant and equipment, from USD8.275 million for the three-month period ended December 31, 2021, to USD64.913 million in 2022 for the same period. This movement primarily relates mostly to the costs capitalized on the developing East pit operations, costs capitalized to the underground mining project, additions to plant and equipment and the construction of a medical centre.

Financing activities

Net cash generated from financing activities increased by USD6.561 million, from net cash utilized of USD16.473 million during the three-month period ended December 31, 2021, to net cash generated of USD23.034 million during the corresponding period in 2022. This increase was the result of a drawing under the Nedbank facility; partially offset by a decrease in the revolving commodity facility because of a lower metal pipeline available during the three-months ended December 31, 2022.

5.4 Restricted Investments and Guarantees

The Company had restricted investments and guarantees forming part of our non-current assets totaling USD18.601 million as at December 31, 2022 (USD18.432 million as of December 31, 2021). The movement in the restricted investment balance was a result of monthly contribution of USD88 thousand (ZAR1.5 million) from November 2022, the depreciation of the Rand/USD exchange rate used to convert to presentation currency and interest received. The guarantee relates to an environmental guarantee collateral with Lombard. Lombard provides the Company with guarantees for both Eskom (credit guarantee) and the DMRE (closure guarantees). This cash is held by Rand Merchant Bank on long-term deposits and ceded in favor of Lombard. The facility with Lombard is 54.2% cash backed as at December 31, 2022.

5.5 Indebtedness

As at December 31, 2022, the Company was indebted to the amount of USD114.174 million. The indebtedness consists of a long-term loan from Corridor Mining Resources Proprietary Limited amounting to USD5.413 million and the stream prepayment amounting to USD91.065 million of which USD4.478 million is classified as short-term borrowings.

In addition, the Company is a party to two credit facilities, the first being the Investec RCF and the second being the Nedbank facility . The outstanding balance of the Investec RCF as at December 31, 2022 was USD20.157 million. The amount available under the Nedbank facility as at December 31, 2022 amounted to USD11.791 million (ZAR200 million). On December 29, 2022, a drawdown of USD18.403 million (ZAR300 million) was made. Refer to Section 1.6, "Events after the reporting period" for information regarding an additional drawdown made against this facility.

The following table sets forth the Company's long-term borrowings outstanding as of the dates indicated:

Table 12. Summary of indebtedness

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Long-term borrowings:		
Facility agreement	17,696	-
Corridor Mining Resources Proprietary Limited[(a)]	5,413	5,289
Stream prepayment	86,587	-
Total long-term borrowings	**109,696**	**5,289**
Short-term borrowings		
Stream prepayment	4,478	-
Total short-term borrowings	**4,478**	**-**
Total borrowings	**114,174**	**5,289**

(a) The loan was provided by Corridor Mining Resources Proprietary Limited which is a wholly owned subsidiary of the Limpopo Economic Development Agency, an agency of the Limpopo Provincial Government, in the Republic of South Africa. The Limpopo Economic Development Agency holds a non-controlling interest in the company that holds the Mphahlele mining right. The loan was to fund exploration costs of the Mphahlele project. The first draw on the loan was made on February 28, 2007 and the last one on April 3, 2009. This long-term loan bears interest at the South African prime overdraft rate until otherwise agreed by the parties. The loan is to be repaid from the proceeds generated by the Mphahlele project in Tameng Mining and Exploration Proprietary Limited, a subsidiary of Mahube Mining Proprietary Limited (a subsidiary of the Company) once the project is developed and producing positive cashflows.

Nedbank facility agreement

On July 15, 2022, PPM, as borrower, and Nedbank Limited ("Nedbank"), as lender and facility agent, entered into an agreement whereby it was granted a senior secured revolving credit facility in an aggregate amount equal to USD29.475 million (ZAR500 million) for a period of 3 (three) years. The facility is to be used for working capital purposes. Interest is calculated on each advance at JIBAR[(a)] plus a margin. An interest period of 1 (one) month, 3 (three) months or 6 (six) months may be selected upon the utilization request of the loan and interest shall accrue from the utilization date of the loan. There are no fixed repayment terms.

The Group must ensure the following financial covenants under this agreement, bi-annually:

- the net debt to earnings before interest, taxation, depreciation and amortization ("EBITDA") ratio in respect of the measurement period shall be less than 2.50 times;
- the interest cover ratio in respect of the measurement period shall be greater than 4.00 times; and
- EBITDA in respect of any measurement period is not less than ZAR200 million (USD11.8 million).

Financial covenants, measured for the twelve (12) month period ended December 31, 2022:

Covenant	Ratio
Net debt to equity ratio	(5.23)
Interest cover ratio	13.29
EBITDA	ZAR241 million (USD14.3 million)

A commitment fee of 30% of a 3.5% margin per annum is payable on the available facility that has not been utilized and is payable on the last day of each successive period of three (3) months. The margin will vary between 3.5% and 3.8% depending on the Company's status as a listed or unlisted entity as well as the amount of capital raised in such a listing on a recognized stock exchange. The fees are expensed as incurred.

The facility is subject to the Common Terms Agreement entered into on July 15, 2022, between Company, as borrower, and Nedbank, as lender, amongst others. The Company and certain of its subsidiaries have provided guarantees of obligations under the Nedbank facility agreement. On December 29, 2022, a drawdown of USD18.403 million (ZAR300 million) was made.

(a) The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates ("ARRs") to improve market efficiency and mitigate systemic risk across financial markets. The South African Revenue Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average ("ZARONIA") as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. ZARONIA has been published for the purposes of observing the rate and how it behaves but has not been formally adopted by the SARB as the successor rate to JIBAR. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.

Intercreditor Agreement

On July 15, 2022, PPMPL, Nedbank and the Orion Purchasers, amongst others, entered into an intercreditor agreement (the "Intercreditor Agreement") governing, amongst other things, the rights and interests of the various parties to the Common Security Package (as defined below) upon enforcement. In consideration for (i) the prepayments made under the Orion Stream Agreements; and (ii) senior debt facilities made available from time to time (including the revolving facility to be made available under the Nedbank facility Agreement) PPMPL and certain other entities within the Group, have granted certain security interests in favor of a special purpose company (the "Security SPV") to be held on a common basis to secure the obligations of PPMPL (and, where applicable, related affiliates, including Sedibelo Group Services Pty Ltd ("SGS") as seller under the Orion Stream Agreements) owing to, as applicable, the Orion Purchasers, Nedbank and any other relevant senior creditors under senior debt facilities from time to time (together, the "Common Security Package").

The Common Security Package is structured on a shared basis governed by the Intercreditor Agreement terms. The rights of the Orion Purchasers under the Orion Stream Agreements will be second-ranking to the rights of Nedbank and any other senior debt lenders that may be party to the Common Terms Agreement from time to time. The Common Security Package, as at the date of this prospectus, is comprised of:

- a General Notarial Bond to be provided by PPMPL in respect of its moveable assets;
- a Cession in Security to be granted by PPMPL, Richtrau No. 123 Proprietary Limited and SGS in respect of certain intangible assets;
- a Special Notarial Bond to be granted by PPMPL in respect of certain specified assets;
- a Mining Rights Mortgage Bond to be granted by PPMPL in respect of its mining rights;
- a Mortgage Bond to be granted by PPMPL in respect of certain immoveable property;
- a Security Assignment to be granted by PPMPL and SGS in respect of certain intra-group agreements;
- an Obligor Cession and Pledge in Security to be granted by PPMPL, *inter alia*, in respect of certain of the shares and claims held by the security providers; and
- any future security that forms part of the Common Security Package.

Investec RCF

On March 31, 2017, SRL and PPMPL entered into an amended and restated RCF with Investec, pursuant to which, inter alia, Investec made available a renewable 364-day revolving commodity financing facility in an aggregate amount not exceeding ZAR400 million, which facility shall remain available until the date on which PPMPL ceases to be entitled to deliver the concentrate to Impala in terms of the Impala Offtake Agreement. On April 1, 2021, the aggregate amount available under this facility was increased to ZAR900 million. In terms of the Investec RCF, Investec will finance up to 89.3% of the expected quantity of platinum, palladium (Pd) and rhodium (Rh) derived from the concentrate, and which is delivered by PPMPL to Impala, although the Investec RCF has been utilized to finance up to 91% of these metal deliveries in recent years. The aggregate amount available under the RCF was reduced to USD30.040 million

(ZAR509.580 million) on November 2, 2022 due to current and expected utilization needs. All other terms under the agreement remained the same.

PPMPL is entitled to draw down on the facility provided that, certain conditions contemplated in the Investec RCF are met and interest on each advance is based on JIBAR (as defined herein) plus a margin. In consideration for this facility, PPMPL has ceded: (1) all of its rights, title and interest in and to all payment rights under the Impala Offtake Agreement; and (2) all proceeds due to PPMPL arising from any hedging agreements entered into by PPMPL with Investec in respect of the forward price of the expected quantity of 6E's and base metals to be processed by Impala in respect, of such advance. In addition, the Company guaranteed PPMPL's obligations under the Investec RCF. As at December 31, 2022, the outstanding balance under the Investec RCF was USD20.157 million. The outstanding balance bears interest at JIBAR plus 1.50% (JIBAR + 0.5% up to November 2022) and is available up to March 31, 2023.

Refer to Section 1.6, "Events after the reporting period" for more information.

5.6 *Liquidity Risk*

The Company's consolidated liquidity position is managed to ensure sufficient liquid funds are available to meet financial commitments in a timely and cost-effective manner. The Company's management continually reviews the liquidity position including cash flow forecasts to determine the forecast liquidity position. The Company invests excess funds in deposit structures and fixed income funds.

The contractual undiscounted cash flow maturity analysis of payables as of December 31, 2022 was as follows:

Table 13. Contractual undiscounted cash flow maturity analysis of payables

	Contractual cash flows USD'000	Less than 6 months USD'000	Between 6 - 12 months USD'000	Between 12 - 24 months USD'000	Between 25 - 60 months USD'000	> than 60 months USD'000
Balances as at December 31, 2022						
Credit facility	19,554	-	-	-	19,554	-
Long-term borrowings[(a)]	5,982	-	-	5,982	-	-
Revolving commodity facility	20,157	20,157	-	-	-	-
Stream prepayment[(b)]	666,070	3,625	4,282	8,561	28,007	621,595
Trade payables and accrued liabilities	23,623	23,575	-	-	-	-
Total financial liabilities	**735,386**	**47,357**	**4,282**	**14,543**	**47,561**	**621,595**

(a) Includes interest on all outstanding debt. Payments are estimated for variable rate and variable term debt based on effective interest rates as at December 31, 2022 and expected payment dates.
(b) This commitment represents the contractual undiscounted cash flows which is linked to future production inflows.

Capital expenditures

The Company's capital expenditures totalled USD108.905 million for the period ended December 31, 2022. The Company's capital expenditures primarily relate to sustaining capital spend to maintain our plant operations and funds invested in the development of the current open pit operations, specifically the East pit and the underground mining project.

The Company expects to increase its capital expenditures to support the growth in its business and operations in South Africa, including the development of the mining areas of Sedibelo Central, East and Magazynskraal located on the Western Limb of the Bushveld Complex, the Mphahlele project and the Kellplant.

The Company expects to meet its capital expenditure needs for the foreseeable future from its operating cash flow, existing cash and cash equivalents and other means of funding that is being pursued.

5.7 Contractual obligations

The Group's contractual obligations are as follows:

Table 14. Commitments as at December 31, 2022

Contractual obligations USD'000	Total	< 1 year	1-3 years	After 3 years
Mining costs[(a)]	43,839	43,839	-	-
Open purchase orders	24,098	24,098	-	-
Total contractual obligations	**67,937**	**67,937**	**-**	**-**

Table 15. Commitments as at December 31, 2021

Contractual obligations USD'000	Total	< 1 year	1-3 years	After 3 years
Mining costs[(a)]	30,352	30,352	-	-
Open purchase orders	10,398	10,398	-	-
Total contractual obligations	**40,750**	**40,750**	**-**	**-**

(a) Committed mining expenses include the estimated cost that will be incurred by the main mining contractors to carry out the opencast mining operations for the required notice period, should notice be given.

6. Related Party Transactions

Table 16: Related Party Transactions

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Related party transactions with:		
Kelltech Limited Group	9,174	609
Kelltech Limited [(a)]	608	390
Kelltechnology SA RF Proprietary Limited [(b)]	157	193
Kellplant Proprietary Limited [(c)]	8,409	26
Lifezone[(d)]	(3,270)	(2,503)
The Pallinghurst Group [(e)]	(84)	(85)
The IDC [(f)]	(3,408)	(36,693)
Net inflow/(outflow) from transactions with related parties	**(2,412)**	**(38,672)**

a) Orkid S.á.r.l., a subsidiary of SRL, has a 50% shareholding in Kelltech"Limited "Kelltech". The Group provides loans to Kelltech for developmental and working capital purposes and interest is charged on these loans.

b) Kelltech has a 66.7% shareholding in Kelltechnology South Africa (RF) (Pty) Ltd ("Kell SA"). The Group provides Kell SA with administration and other services for which it charges a monthly fee of USD5k (excluding VAT of 15%). Included in the above is the total services fees charged for 2021 of USD 63,076.56 (excluding VAT) due to timing of finalisation of the agreement as well as audit fees of USD16k that was incurred by the Company on behalf of Kell SA.

c) Kell SA has a 100% shareholding in Kellplant (Pty) Ltd ("Kellplant"). The Group provides Kellplant with administration, project management and other services for which it charges a monthly fee of USD80,972.95 (excluding VAT). In addition, the Group provides Kellplant with an unsecured bridging loan (see note 26.4) on which interest is charged. Included in the above is the total services fees charged for 2021 of USD943,374.12 (excluding VAT) due to timing of finalisation of the agreement as well as travel- and secretarial costs of USD28k that was incurred by the Group on behalf of Kellplant.

d) Lifezone Limited ("Lifezone") holds the remaining 50% shares in Kelltech. Lifezone is the holder of the Kell technology being implemented through the construction of a plant at PPM and provides the group with technical services. On a monthly basis, Lifezone charges Kell SA and Kellplant a fee of USD52k and USD126k, excluding withholding tax of 15%, respectively for these services. The balance also includes a loan that Lifezone provided to Kell SA in 2014.

e) Pallinghurst Advisors LLP and Pallinghurst Advisors Proprietary Limited are companies associated with Pallinghurst Ivy Lane Capital S.á.r.l., who was a shareholder of SRL up until December 2021. Pallinghurst Advisors LLP and Pallinghurst Advisors Proprietary Limited incurred expenses on behalf of the Group which were reimbursed by the Group.

f) The IDC provided a loan to PPM which was repaid in full on the 1st of June 2021. On March 31, 2022 the IDC entered into a commercial shareholders loan agreement with Kell SA to fund the construction of the Kell Plant. The first draw on the loan, totalling ZAR58 million (USD3 million) was on April 4, 2022.

7. Quantitative and qualitative disclosures about market risk

The Company is exposed to credit- and market risk in the ordinary course of its business. Credit risk represents risk that the Company will suffer a financial loss due to the other party of a financial instrument not discharging its obligation. Market risk represents the risk of loss that may impact the Company's financial position due to adverse changes in financial market prices and rates. The Company's market risk is primarily a result of fluctuations in foreign currency exchange rates, commodity prices and interest rates.

The Company's board of directors has the overall responsibility for the establishment and oversight of its risk management framework. The Company's executive officers are responsible for developing and monitoring its risk management policies. The Company's executive officers regularly report to the board of directors on their activities. From time to time, the Company may use derivative financial instruments to hedge certain identified risk exposures, as deemed necessary by its executive officers. The Company does not acquire, hold or issue derivative instruments for trading purposes.

For more information about the Company's financial risks, including its risk management policies, see note 27.3 to the Company's audited annual consolidated financial statements for the years ended December 31, 2022 and 2021, which are available on SEDAR at **www.sedar.com**.

Credit risk

Credit risk is the risk that the financial asset counterparty may default or not meet its obligations timeously. The Group has reduced its exposure to credit risk by dealing with a limited number of approved counterparties. The Group approves these counterparties according to its risk management policy and ensures that they are of good credit quality.

The material concentration of credit risk lies within trade- and other receivable with no material concentration in cash & cash equivalents, restricted investments and guarantees or loans. The total carrying amount of trade- and other receivable, in cash & cash equivalents, loans and restricted investment and guarantees represents the Group's maximum credit exposure.

To maximize credit protection, cash and cash equivalents are placed with a variety of good-quality financial institutions. The credit rating spread of these institutions can be summarized as follows:

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
AA+	26,243	74,859
AA	115,134	53,725
BBB+	32,600	30,443
Total cash and cash equivalents and restricted investments and guarantees	**173,977**	**159,027**

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the value of the Company's financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximising long-term returns.

Foreign currency exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Company's functional currency and the functional currency of most of its subsidiaries is ZAR.

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency. Most of the Company's purchases are denominated in ZAR.

However, certain long lead-capital items are denominated in USD. At year end 87%, of total cash, including restricted investment, was held in USD. The influence of the macro economic climate on currencies of emerging markets like South Africa, is evident in the volatility of the ZAR during 2022.

International commodity prices are quoted in USD which exposes the Company's revenue cash flows to foreign exchange variances.

The following significant exchange rates were applied as of the dates and during the periods indicated:

	As at Dec 31, 2022	Average twelve- months ended Dec 31, 2022	Average three-months ended Dec 31, 2022	As at Dec 31, 2021	Average twelve-months ended Dec 31, 2021	Average three-months ended Dec 31, 2021
Rand (USD:ZAR)	16.96	16.37	17.63	15.90	14.78	15.42

The Group's exposure to foreign currency risk as of the following dates was as follows:

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Cash and cash equivalents	135,237	30,443
Loans receivable	15,474	14,863
Total	**150,711**	**45,306**

The following table summarizes the sensitivity of financial instruments held at balance date to movements in the exchange rate of the Rand to the U.S. Dollar, with all other variables held constant. The U.S. Dollar-denominated instruments have been assessed using the sensitivities indicated in the table. These are based on reasonably possible changes, over a financial year, using the observed range of actual historical rates for the preceding two-years.

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Impact on statement of profit or loss (pre-tax)		
USD/ZAR strengthening by 20%	30,142	7,551
USD/ZAR weakening by 30%	(45,213)	(19,417)

Commodity price risk

Commodity price risk arises from the effect on current and future earnings due to fluctuations in commodity prices, in particular the price of PGM's. Most of these prices are determined in U.S. Dollars and are internationally determined in the open market. The Company regularly measures exposure to commodity price risk by stress-testing its forecast financial position to changes in PGM prices. The Company reviews its exposure with reference to the 4E basket price. The Company does not actively hedge future commodity prices against price fluctuations. PPM recognizes revenue at month-end, during which delivery of concentrate has occurred at the month's average commodity price for the contained metal.

Revenue is recognized at the average commodity price for the month on the date of sale and adjusted at each month end to the latest commodity price until revenue quantities are agreed with the customer (usually 3 to 5 months).

On March 31, 2017, the Company entered into the Investec Revolving Commodity Facility Agreement, whereby Investec finances up to 91% of the expected quantity of platinum, palladium and rhodium derived from the concentrate and which is delivered by PPMPL to Impala. The respective commodity prices and exchange rates are determined on each drawdown date and denominated in Rand. This facility is repaid within two to four months. On settlement date, the drawdown is revalued using average commodity prices and exchange rates for the calendar month before settlement date. These fair value adjustments amounted to a loss of USD0.953 million during the twelve-month period ended December 31, 2022 (for the twelve-months ended December 31, 2021: profit of USD1.029 thousand).

The following 4E basket prices were applied:

	Average for the year ended	
	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
4E basket price USD	2,243	2,679
USD 1 = ZAR	16.37	14.78
4E basket price ZAR	36,510	39,484

In addition to the Investec Revolving Commodity Facility Agreement, trade receivables of USD50.020 million for the period ended December 31, 2022 (December 31, 2021: USD77.783 million) are exposed to movements in commodity prices. Fair value adjustments on trade receivables are recognized in revenue, as commonly practiced in the metals industry.

The following table summarizes the sensitivity of financial instruments held at reporting date to movements in the relevant forward commodity price, with all other variables held constant. The sensitivities are based on reasonably possible changes, over a financial period, using observed ranges of actual historical rates.

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Impact on statement of profit or loss (pre-tax)		
Increase by 10% in 4E basket price	3,020	4,491
Decrease by 20% in 4E basket price	(6,040)	(16,509)

Interest rate risk

Interest rate risk is the risk that the Group's financial position will be adversely affected by movements in interest rates.

The Group's main interest rate risk arises from short and long-term loans. Restricted investments and guarantees and cash holdings are subject to interest rate risk in the country in which they are held on deposit. All other financial assets and liabilities are non-interest bearing.

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk. In conjunction with external advice, management consideration is given on a regular basis to alternative financing structures with a view to optimizing the Group's funding structure.

Restricted investments and guarantees as well as cash and cash equivalents are exposed to movements in USD and ZAR cash deposit rates.

The following table summarizes the sensitivity of the financial instruments held at reporting date, following a movement in variable interest rates, with all other variables held constant. The sensitivities are based on reasonably possible changes over a financial period, using the observed range of actual historical rates.

	Dec 31, 2022 USD'000	Dec 31, 2021 USD'000
Impact on statement of profit or loss (pre-tax)		
Increase of 1% in South African prime overdraft rate	1,206	815
Decrease of 0.5% in South African prime overdraft rate	(603)	(408)

The impact is calculated on the net financial instruments exposed to variable interest rates as at reporting date and does not consider any repayments of long or short-term borrowings.

8. Critical accounting estimates

The Group's significant accounting principles and methods of application are disclosed in the notes to the consolidated financial statements for the twelve-months ended December 31, 2022. A discussion of the critical accounting policies and estimates, which management believes are important to understanding the Group's financial results, follows below.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

The primary areas in which estimates, and judgements are applied are as follows:

Amortization of mining assets

Total mineral rights asset capitalised are divided into a depreciable and a non-depreciable component. The mineral rights are initially capitalised to the mineral rights asset as a non-depreciable component. Annually, as part of the preparation of the updated reserve and resource statement and preparation of the updated LoM plan, a portion of resources will typically be converted to reserves as a result of ongoing resource definition drilling, resultant geological model updates and subsequent mine planning. Based on this conversion of resources to reserves, a portion of the historic cost is allocated from the non-depreciable component of the mineral rights asset to the depreciable component of the mineral rights asset. Therefore, the category of non-depreciable mineral rights asset is expected to reduce and will eventually be fully allocated within the depreciable component of the mineral rights asset. The mineral properties and rights are assessed for impairment annually. Mineral properties and rights are amortized based on the units-of-production method (ore tonnes mined basis). Mineral properties and rights are subsequently measured at cost less accumulated impairment losses and amortization.

During the fourth quarter of 2022, management of the Company identified an error in the accounting treatment of the Company's Mineral properties and rights. Management performed an assessment on the mineral rights and properties balance and noted no amortization has been recognised on mineral properties and rights when commercial production commenced in 2011. An Out-of-Period adjustment was recognized in the current period, reducing the mineral properties balance by USD6.6 million and an increase in the amortization expense accordingly of which USD6.3 million related to prior periods.

In evaluating the adjustment, the Company referred to the Securities and Exchange Commission ("SEC") Staff Accounting Bulletin ("SAB") No. 99, including SAB Topic 1.M, which provides guidance on the assessment of materiality and states that "the omission or misstatement of an item in a financial report is material if, in the light of surrounding circumstances, the magnitude of the item is such that it is probable that the judgment of a reasonable person relying upon the report would have been changed or influenced by the inclusion or correction of the item." We also referred to SAB 108 for guidance on considering the effects of prior year misstatements when quantifying misstatements in current year financial statements and the assessment of materiality.

Managements' analysis of the materiality of the adjustment was performed by reviewing quantitative and qualitative factors. We determined based on this analysis that the adjustment was not material to the current period and any prior periods.

Impairment of non-current assets

Management uses the guidance in IAS 36 — Impairment of assets when assessing whether indicators for impairment exist for mining assets, intangible assets, and property, plant, and equipment. Management applies judgment in considering whether there is an impairment indicator by taking into consideration the following: operating results for operations, the availability of capital funds for maintenance, the volatility in the ZAR:USD exchange rate and the changes in metal price forecasts.

Management estimates and uses certain key assumptions in calculating the recoverable amount under the value in use model. This model relies on discounted cash flows, which uses key assumptions comprising both current and future PGM prices, ZAR: USD exchange rates, forecasted costs, discount rates, and inflation, which is based on the most recent information available in the market. On a periodic basis management updates LoM plans to consider ways to optimize the value of projects over their lives which can impact the key assumptions noted above. Management performed sensitivity analyses, although there were no indictors for impairment, and concluded that there is no

Inventory

Metal inventory is held in a wide variety of forms across the value chain reflecting the stage of refinement. Prior to production as final metal, the inventory is always contained within a carrier material. As such, inventory is typically sampled, and assays taken to determine the metal content and how this is split by metal. Measurement and sampling accuracy can vary quite significantly depending on the nature of the vessels and the state of the material.

Management's judgement is applied to determine as accurately as possible at which stage of completion work in progress inventory is at each reporting date and estimates which costs should be included for valuation at the specific stage of completion.

Decommissioning and rehabilitation provision

The Group assess its mine rehabilitation provision annually in accordance with the requirements of National Environmental Management Act, No. 107 of 1998, as amended. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent of the decommissioning required, and costs of rehabilitation activities, impact of technological changes, future regulatory changes, cost increases, and changes in discount rates. Actual costs incurred in future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, LoM estimates and discount rates could affect the carrying amount of this provision. Management exercises judgement in determining the remaining LoM at the date of reporting based on assumptions such as estimated future market prices for PGM's, the ZAR:USD exchange rate and choosing an appropriate discount rate. The provision represents management's best estimate of the present value of the rehabilitation costs anticipated to be incurred at the end of the mine's life.

Mineral Reserves and Mineral Resources

The estimation of Mineral Reserves impacts the depreciation of certain categories of property, plant, and equipment (deferred stripping costs, decommissioning assets and producing mines), the recoverable amount of mining assets and property, plant and equipment and the timing of rehabilitation expenditure. The Mineral Reserves and Mineral Resources statement is prepared by an independent expert that complies with the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code, 2016 Edition).

Factors impacting the determination of proved mineral reserves and probable mineral reserves are:

- variance in the grade of mineral reserves (i.e., differences between actual grades mined and grades modelled);
- differences between actual commodity prices and commodity price assumptions;
- unforeseen operational issues at mine sites; and
- changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates.

Expectations regarding future profitability would impact the decision to continue mining and consequently, the continued classification as proved and probable mineral reserves. These key estimates and judgments impact the Company's determination of its proved and probable mineral reserves and are reassessed and adjusted accordingly.

Carrying value of property, plant, and equipment

Management has elected to depreciate deferred stripping, decommissioning assets, and producing mines using the ore tonnes mined as the units of production ("UOP") methodology and plant and equipment using the ore tonnes processed UOP methodology. Mobile and other equipment are depreciated over the shorter of the estimated useful life of the asset or the estimate of mine life based on proved- and probable mineral reserves.

The calculation of the UOP rate of depreciation could be impacted to the extent that actual production in the future is different from current forecast production based on proved- and probable mineral reserves. This would generally result from the extent that there are significant changes in any of the factors or assumptions used in estimating mineral reserves. Management uses judgment in revisions of the LoM of its operations by evaluating reputable forecasts of PGM market prices, the ZAR:USD exchange rate and in turn consults specialist consultants to assist with future mine planning which may impact the carrying value or rate of depreciation and amortization of property, plant, and equipment.

Changes in proved- and probable mineral reserves will impact the useful lives of the assets depreciated on the UOP method. For purposes of calculating depreciation, the following LoM applies: West pit 12 years (December 31, 2021: 6.5 years) and East pit 12 years (December 31, 2021: 7.5 years).

The Group reviews and tests the carrying value of long-lived assets annually or when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing the recoverable amounts to these carrying values.

Deferred taxation

Management uses the guidance in IAS 12 — Income Taxes when assessing whether a deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Management estimates future taxable income using assumptions such as production volume, PGM prices, ZAR:USD exchange rates, and inflation are based on the most recent information available from technical work undertaken and in the market.

Joint arrangements

The Group has applied IFRS 11 — Joint Arrangements to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The economic substance of the arrangement arising from the contractual terms agreed between the parties and other facts and circumstances plays a key role in determining the classification of a joint arrangement.

Kelltech is the Company's primary joint arrangement, for which management has applied judgment in determining it should be accounted for as a joint venture under IFRS 11. Kelltech holds exclusive rights to use and sub-license certain technology for the processing of PGMs within the South African Development Community Region. The other 50% interest in Kelltech is held by Lifezone Limited, the developer and exclusive owner of the technology.

Under the joint arrangement, any plant that is developed using the technology will be used by the Company to process its concentrate (which it has committed to provide) as well as the concentrate from other third-party mining operations. Kelltech's current activities are in the research and development phase relating to the use of this technology including the design and commissioning of an integrated processing plant. The Group advanced a loan to Kelltech to fund feasibility studies, test work and other development costs. The joint arrangement with Kelltech is structured through a separate vehicle, and the right to use the technology belongs to Kelltech. The creditors of Kelltech would not have recourse to the joint venture parties. Joint ventures are accounted for using the equity method.

Stream prepayment

As the precious metals price and precious metal price volatilities and risk-adjusted discount rates are unobservable inputs, the financial liabilities above are classified within Level 3 of the fair value hierarchy.

The fair value of the stream obligation was valued using a Monte Carlo simulation model. Refer to note 17 in the Company's corresponding annual financial statements for the detailed inputs and assumptions used.

The valuation of stream prepayment was prepared by an independent valuation specialist under the direct oversight of the Group Reporting Manager of the Company. Discussions of valuation processes and results are held between the Group Reporting Manager, the Chief Financial Officer, and reported to the audit committee at least once every three months, in line with the Company's quarterly reporting periods.

The following table summarises the sensitivity of the stream prepayment held at balance sheet date to movements in the commodity prices and risk-free rate used as the discount rate, with all other variables held constant. The USD denominated instruments have been assessed using the sensitivities indicated in the table. These are based on reasonably possible changes, over a financial year.

Impact on Statement of financial position	2022 USD'000	2021 USD'000	2020 USD'000
5% increase in commodity prices	(5,820)	-	-
7.5% decrease in commodity prices	8,580	-	-
1% increase in the risk-free rate	13,726	-	-
1% decrease in the risk-free rate	(14,504)	-	-

9. Other

9.1 Off-balance sheet arrangements

As at December 31, 2022, the Group had USD34.674 million in guarantees to the DMRE and Eskom, of which USD18.793 million is funded. The Group has restricted investments held by Rand Merchant Bank in long-term deposits and ceded in favour of Lombard. Lombard provides the Group with guarantees for both Eskom and the DMRE. The facility with Lombard was 54.2% cash backed as at December 31, 2022.

9.2 Proposed transactions

The Company continues to evaluate opportunities in the market with a view to expand the current business. There are no reportable proposed transactions currently.

9.3 Financial instruments and other instruments

The Group has the following financial instruments measured at amortized cost: Cash and cash equivalents, restricted investments and guarantees, loans receivable, trade payables and accrued liabilities, credit facility and long-term borrowings. The fair values of these instruments approximate their carrying values.

The Group's trade receivables, revolving commodity facility and the stream prepayment are measured at fair value.

9.4 Changes in accounting policies, including initial adoption

The Group has applied the following standard and amendment for the first time for their annual reporting period commencing January 1, 2022:

- IAS 16 'Property, Plant and Equipment – Proceeds before Intended Use'

  The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. During the current period the initial proceeds before intended use from the East pit was recognised as part of revenue and not deducted from the cost of property, plant and equipment, with no reclassification required. The adoption of the amendment had no material impact on the Company's statement of financial position or financial results presented.

International Financial Reporting Standards and amendments issued before December 31, 2022 with an effective date for accounting periods beginning on or after January 1, 2023, but that had no impact on the Group's financial statements:

- Amendments to IAS 37 Onerous Contracts—Cost of Fulfilling a Contract

  The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract. The effective date is annual periods beginning on or after January 1, 2023. Adoption of this amendment will have no material impact on the Company's statement of financial position or financial results presented.

Accounting standards, interpretations and amendments not effective and not selected for early adoption:

- Amendment to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current

  The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. A number of requirements are required to be met in conjunction with this amendment. The effective date is annual periods beginning on or after January 1, 2024.

Accounting standards, interpretations and amendments not effective and selected for early adoption:

- Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. The effective date is annual periods beginning on or after January 1, 2023. The Company selected to early adopt this amendment in 2022. The adoption of the amendment had no material impact on the Company's statement of financial position or financial results presented.

9.5 Long-term incentive scheme ("LTIP")

On March 24, 2021, the Board of directors of SRL approved the adoption of the Sedibelo Resources Long-term Incentive 2021 Plan (the "2021 Plan") with effect from July 1, 2021.The 2021 Plan was designed to: (1) compensate eligible employees with long-term awards linked to the success and growth of the Company; (2) incentivize eligible employees to meet the Company's strategic objectives; (3) align the interests of eligible employees and stakeholders; and (4) retain skilled employees. Full- time salaried employees of the Company and its subsidiaries, including executive directors and non-executive directors, are eligible for the 2021 Plan.

In June 2022 the Board of directors approved the issuance of cash-settlement units to non-executive directors under the Sedibelo Resources Limited Long-Term Incentive Plan 2022. Non-executive directors are eligible to receive annual awards, based on the annual base fee payable to non-executive directors provided that the non-executive has served as a non-executive for the Board for a continuous period of twelve (12) months. The base fee was USD100k per annum, for the 2022 financial year, and will be reviewed annually by the Executive Directors considering prevailing US inflation and market practice. The base fee for the Chairman of the board was USD200k per annum, for the 2022 financial year.

9.5.1 Forfeitable units ("Bonus Units") – as part of the short-term incentive scheme

The Remuneration Committee grants an award of Bonus Units annually to match 50% (fifty percent) of the annual Short-Term bonus awarded to participating employees.

The total annual bonus is determined by reference to the actual performance rating of the individual and the Company against predetermined targets for the preceding cycle and is comprised of cash. The number of bonus units awarded are calculated as a percentage of the prior years annual bonus divided by the grant date fair value per unit. The Bonus Units vest after a three-year period, subject to continued employment.

9.5.2 Conditional units ("Performance Units" and "Milestone Awards") – for the long-term incentive scheme

The Remuneration Committee grants an award of Performance Units annually to eligible employees as part of its long-term incentive scheme. The number of Performance Units awarded to an employee is based on the employee's annual guaranteed pay and job grade combined with a factor related to the Company's assessed performance rating over a three-year period and using the relevant grant price calculation (as for the Bonus Units) at the award date, with ultimate vesting of those awards subject to performance conditions as approved by the Remuneration Committee.

Performance conditions applicable to Performance Units

The number of units that vest depends on the extent to which the Company has performed over the intervening three-year period relative to five performance criteria. These performance criteria are among the most widely acceptable vesting performance measures suited to aligning the outcome of long-term incentive awards with shareholders' interests.

The number of the Performance Units awarded that will finally vest three years after the award date will range between 0% (zero percent) and 150% (one-hundred and fifty percent) depending on the extent to which the performance criteria have been met.

The performance conditions are listed below:

Condition	% Weighting
Relative total shareholder return	30%
Absolute total shareholder return	30%
Operating cash flow/Equity	30%
Improvement in B-BBEE	5%
CO_2, water usage and tailings dams	5%

The Remuneration Committee awarded additional Conditional Units to eligible Key Management Personnel ("Milestone awards") to reflect and reward the closing of strategic transactions. The number of units awarded to an employee is based on the employee's annual guaranteed pay and job grade using the relevant grant price calculation (as for the

Bonus Units) at the award date. These units will vest on a pro-rata basis depending on the extent to which the Performance Condition has been fulfilled, with ultimate vesting of these awards subject to performance conditions, a maximum vesting limit and weighting as approved by the Remuneration Committee.

The milestones are listed below:

Milestone
Capital raise > USD 100 million
Listing by independent Initial Public Offering IPO or merger with listed entity
Merger with unlisted entity

10. Outstanding share data

As at December 31, 2022, the Company had 3,095,401,663 common shares issued and outstanding.

As at December 31, 2022, for the 2021 Plan, there were 24,926,850 Milestone Units, 6,103,389 Bonus Units and 3,201,341 Performance Units outstanding.

11. Legal Proceedings

Diesel rebates

The matter is currently the subject of litigation between the South African Revenue Services ("SARS") and PPM on periods claimed since April 2008. PPM has submitted a total of USD27.700 million (ZAR498.1 million) diesel rebate claims to SARS that remains unpaid as at December 31, 2022. USD3.446 million (ZAR61.965 million) is claimed from PPM by SARS on refunds they allowed before 2011.

Rietfontein tailings dam

The Company is currently in the process of contesting a decision by the DMRE to approve a mining right for Rustenburg Chrome Mines (previously Lanxess Chrome Mining) for PGMs, as Platmin South Africa (Pty) Ltd, a subsidiary of SRL is currently the holder of a registered prospecting right for all minerals (excluding chrome) and tailings on the farm Rietfontein 338 JQ.

A Notice of Suspension was received on November 5, 2021, whereby Rustenburg Chrome Mines' right to mine any minerals, except chrome, was suspended with immediate effect. The matter was placed on the opposed court roll for December 15, 2021. The Company registered its Notice of Intention to Oppose on January 20, 2022.

The Company is in the process of lodging an application in terms of Section 54 of the Mineral and Petroleum Resources Development Act ("MPRDA") for the DMRE to facilitate a meeting between the Company and Rustenburg Chrome Mines to secure access to the prospecting right area. No response has been received from Clover Alloys, the holding company of RCM, following initial correspondence in relation to a possible settlement.

A supplementary affidavit was received on September 13, 2022 and an answering affidavit was filed with the High Court on November 2, 2022.

12. Liquidity

The Group operates in a cyclical industry where levels of cash flow have historically been materially influenced by market prices for commodities and exchange rates. Material uncertainties, such as exposure to ZAR:USD exchange rates and PGM prices has in the past put significant strain on the Group's liquidity position. The current positive PGM market prices have improved the Group's liquidity position. However, given the level of investment required for East pit and the underground development projects liquidity are closely observed and alternative sources of funding may be pursued.

13. Internal control over financial reporting

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed or caused to be designed under their supervision, disclosure controls and procedures and internal control over financial reporting, each as defined under National Instrument 52-109 – 'Certification of Disclosure in Issuers' Annual and Interim Filings. Under the supervision and with the participation of management, including its CEO and CFO, the Company carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting. In connection with this evaluation, the Company has identified material weaknesses in the design of its internal control over financial reporting and, as a result, has concluded that the design and operation of the Company's

internal control over financial reporting were ineffective as of the end of the three and twelve-months ended December 31, 2022. Internal controls over financial reporting is in progress of being implemented and tested by management. A material weakness is a deficiency, or combination of control deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim condensed consolidated financial statements will not be prevented or detected on a timely basis.

As previously disclosed in the 2021 Annual MD&A, the material weaknesses identified relate to the Company's insufficient accounting resources and processes necessary to comply with the reporting and compliance requirements of a public company and include the following:

(a) that the Company does not yet have a formally designed, documented and tested control framework over all of its key processes;
(b) the Company requires a greater level of supervision in relation to financial reporting for a public company;
(c) that the Company has inadequate levels of segregation of duties across business processes and individuals;
(d) that the Company has inadequate supply chain management process, including sufficient policies and procedures based on industry benchmarking; and
(e) that the Company has inadequate information systems and associated infrastructure, including but not limited to:
   i. managing access to the Company's systems and data;
   ii. end-user computing controls; and
   iii. computer operations controls.

As previously disclosed in the Company's MD&A for the three and nine months ended September 30, 2022, as a result of these material weaknesses the Company failed to account for the movement in the deferred tax assets in accordance with the requirements of IAS 34 Interim Financial Reporting in the period ended March 31, 2021 and accounted for the 6-month movement in the 3-month period ended June 30, 2021, respectively, resulting in a related misstatement for such periods. The deferred tax misstatement occurred due to the unwinding of the deferred tax asset not being recognised in the period ended March 31, 2021 with the adjustment only recognised in the period ended June 30, 2021. Subsequent to identifying such misstatement, the Company implemented controls to address the identified risk relating to the accounting treatment of the Company's deferred tax assets.

During 2022, the following progress was made on the material weaknesses identified above:

(a) risk and control matrices (''RCM") for key internal controls over financial reporting have been analysed, documented, and confirmed by management. Deficiencies were identified and will be remediated;
(b) improved levels of supervision have been imbedded in the preparation of the financial statements;
(c) furthermore, levels of supervision and improved system driven segregation of duties are being implemented;
(d) the Company's supply chain management process was evaluated and improved. The implementation of a contract database is still in process;
(e) the Company is making continued investments to the enhancement of information technology and systems. As part of this, investments were made towards cyber security to improve the access control environment and end-user monitoring; and
(f) The internal controls management should be improved by the acquisition and current implementation of a technical platform to host the control framework. This will form the basis of management attestation going forward.

These material weaknesses did not result in a misstatement to Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021. Each of the material weaknesses described above could have resulted in additional misstatements of one or more account balances or disclosures that would result in a material misstatement to the annual or interim condensed consolidated financial statements that would not be prevented or detected, and, accordingly, the Company determined that these control deficiencies constitute material weaknesses.

The Company is continuously updating their remediation plan (including the progress to date outlined above) to improve its internal control over financial reporting, including increasing the depth and experience within its finance team, designing and implementing improved processes and internal controls, including benchmarking against industry standards and retaining outside consultants with extensive technical expertise.

The Company cannot provide an estimate of the time required or costs expected to be incurred in connection with implementing a remediation plan. Remediation measures and ongoing reporting obligations may be time consuming, costly, and might place significant demands on the Company's financial, operational resources and systems and the Company may be unable to complete the Company's evaluation testing and any required remediation in a timely manner. Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis. Also, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

14. Emerging Markets Disclosure

Pursuant to OSC Staff Notice 51-720 - *Issuer Guide for Companies Operating in Emerging Markets*, which provides guidance to issuers that are considered "emerging market issuers", being in general terms issuers that have significant business operations in emerging markets, the Company has included disclosure in Appendix "B" hereto with respect to its operations in South Africa.

Appendix "A"

Risk Factors

Risks related to the Company's business and industry

The Company relies on PPM.

To date, the Company has focused its cash resources and capacity on the PGM-producing open pit mine complex located on the western limb of the Bushveld Complex (a basin-shaped intrusion and geological region, internationally recognized for its PGM-bearing deposits, located in South Africa), primarily within the farm Tuschenkomst 135JP (the "PPM Mine"). The Company is not yet producing in the mining areas of Magazynskraal and Kruidfontein located on the western limb of the PPM Mine (the underground portion of the "Triple Crown Properties"). and the Company is currently in the development stages with respect to the underground PGM project on the M'Phatlele farm, which is located on the northern part of the eastern limb (the "Eastern Limb") of the Bushveld Complex (the "Mphahlele Project"). Therefore, the Company is currently dependent on the operation of the PPM Mine for all of its revenue, profits and cash flows. If production at the PPM Mine were impaired or suspended for any reason, it would have a material adverse effect on the Company's business, financial condition, results of operations and prospects, and the risks described below, as they relate to the PPM Mine, and which would have a particularly adverse impact on the Company. In addition, the operating opencast PGM mines situated in the Bushveld Complex mines a low-grade ore body. Mining, handling and processing low-grade ore in mining and mineral processing operations result in higher costs and lower profits than high-grade ore. If the Company is unable to develop its underground projects, which are higher grade than its existing operations, the Company's business, financial condition and results of operations would be adversely affected.

The Company relies on a limited number of third-party smelters, refiners and offtakers of the PPM's concentrate.

Substantially all of the Company's revenue is currently derived from the Impala Offtake Agreement. Impala, as the third party, smelts, refines and subsequently purchases the concentrate produced at the PPM Mine. The price paid by Impala for the 6E and base metals (nickel and copper) extracted from the concentrate produced at the PPM Mine is determined in accordance with a predetermined formula, linked to index prices and after the deduction of Impala's smelting and refining costs and impurities. The Company is obliged to deliver a set minimum quantity of concentrate to Impala under the Impala Offtake Agreement, failing which Impala has the right, in its sole discretion, to extend the term of the Impala Offtake Agreement until such minimum quantity is delivered by PPM to Impala.

The Impala Offtake Agreement took effect on May 22, 2019, with an expiry date of May 21, 2022, which term was extended to July 31, 2023 by Impala as the minimum quantity of metal, at that time, was not yet delivered in accordance with the terms of the Impala Offtake Agreement. The Impala Offtake Agreement therefore will endure until July 31, 2023, which is when it is expected that the minimum quantity of metal will be delivered , following which the Impala Offtake Agreement will automatically terminate.

Under the Impala Offtake Agreement, in the event of unfavorable market conditions with respect to Impala's sale of the 6E or base metal products to the market and provided that a third-party appointed by both Impala and PPM certifies the reasonableness in the prevailing circumstances for Impala to defer the payment to PPM with respect to the unsold products affected by the market condition, Impala is entitled to defer the payment to PPM with respect to such product until they are actually sold. The Impala Offtake Agreement contains customary "force majeure" provisions whereby parties may suspend or be relieved from performance upon specified circumstance that are not foreseeable, controllable or avoidable. In March 2020, Impala declared "force majeure" on the basis of COVID-19 and as a result concentrate deliveries for processing under the Impala Offtake Agreement were suspended for 6 weeks, with partial lifting of lockdown measures and the return to work by certain workers implemented from May 6, 2020. The PPM was fully operational from May 10, 2020.

On June 20, 2022, the Company entered into a non-exclusive offtake agreement with Northam Platinum Limited ("Northam") in respect of 6Es and base metals (nickel and copper) to be produced by PPM, which agreement came into force on December 21, 2022 ("Northam Agreement"). Under the Northam Agreement, PPM undertakes to deliver a monthly minimum

amount of Dry Metric Tons of Concentrate (DMT) which amount varies according to an estimate agreed to by the parties in the previous calendar month.

Any failure by Impala and Northam to fulfill their obligations under the Impala Offtake Agreement and the Northam Agreement, respectively, may have a material adverse effect on the Company's business, results of operations, financial condition and prospects. Therefore, any impact on Impala and Northam's ability to purchase the PPM concentrate, including any constraints on its smelting capacity, or impact on its ability to further market the product to third parties, could have an adverse impact on the Company.

Changes in the market price for PGMs, which in the past have fluctuated widely, affect the profitability of the Company's PGM mining operations and the cash flows generated by those operations.

The Company generates all of its revenue from sales of its metals. Sales of 4E contributed 91%, 90% and 93% to the Company's revenue during 2022, 2021 and 2020, respectively.

The Company does not generally enter into commodity derivatives or other hedging arrangements in advance of the sale of its PGM production, although the Company may consider commodity derivatives or other hedging from time to time. In addition, the Investec RCF, which is utilized to finance up to 91% and 89.3% of the Company's 4E deliveries in concentrate delivered to Impala and Northam, respectively, allows the Company to receive cash proceeds for sales of 4Es and base metals (nickel and copper) under the Impala and Northam Offtake Agreements upon assay rather than having to wait for settlement from Impala or Northam. This allows the Company to mitigate price risk between delivery of metal and payment. Notwithstanding the above, the Company is generally fully exposed to changes in PGM prices, which could lead to reduced revenue should PGM prices decline, as the Company's revenues are directly impacted by relevant metal prices.

In 2022, platinum prices fluctuated between USD831 per ounce and USD1,151 per ounce, palladium prices fluctuated between USD1,675 per ounce and USD3,015 per ounce and rhodium prices fluctuated between USD12,250 per ounce and USD22,200 per ounce.

Should PGM prices decline below the Company's production costs, the Company may experience losses and, should this situation remain for an extended period, the Company may be forced to curtail or suspend some or all of the Company's projects, operations and/or reduce operational capital expenditures. The Company might not be able to recover any losses incurred during, or after, such events. A sustained period of significant PGM price volatility may also adversely affect the Company's ability to undertake new capital projects or to make other long-term strategic decisions. The use of lower PGM prices in reserve calculations and life-of-mine plans could also result in material impairments of the Company's investment in PGM mining properties or a reduction in the Company's Mineral Reserve estimates and corresponding restatements of the Company's Mineral Reserves and increased amortization, reclamation and closure charges.

Moreover, the platinum, palladium and rhodium prices are forecast to increase due to safe haven demand and fears of Russian exports disruptions due to current flight bans, banking difficulties and potential of further sanctions resulting from the Russian invasion of Ukraine in February 2022. Addressing the potential for reduced PGM supply from Russia (CRU International Limited ("CRU") estimates that in 2021, Russia's share of global supply of platinum and palladium was 35% and 10%, respectively), both security of supply concerns and sanctions could impact short and long-term metal flows. Thus far Russian producers have not been subject to sanctions that would prevent them selling platinum or palladium to Western customers, restrictions already imposed on the international SWIFT payment notification system appear more likely to interrupt short term metal flows. This would compound an already tight physical market and add to price volatility. See also "*—The ongoing military conflict between Russia and Ukraine could have a material adverse effect on the global mining industry and the Company's business, financial condition and results of operations*."

In addition, changes in demand drivers for PGMs may cause the prices of PGMs to fall over the short or long term. For example, PGM prices are linked to demand for catalytic converters in automobiles, among other things. Any economic downturn or other event that reduces the production or sale of automobiles, including the current shortage of semiconductors that is expected to have a long-lasting adverse impact on car production, will likely impact the price of PGMs. In addition, high PGM prices may cause demand destruction, which would cause the price of such PGMs to fall. In addition, the increase in the number of electric cars in the future may reduce the price for PGMs by reducing demand for catalytic converters (which require PGMs) used in gasoline-powered vehicles. For more information about the risk factors related to PGM demand, see "*— Changes in consumer demand and preference for the commodities relevant to us could have a material adverse effect on the Company's business, operations and financial performance*", "*— PGM usage in hydrogen fuel cells may be less than expected which adversely affect demand for PGMs in particular platinum*", "*— PGM production has historically been relatively inelastic to price due to PGMs being mined as a basket*" and "*— An oversupply of PGMs relative to demand may reduce PGM prices and adversely affect the Company's results of operation and financial position.*"

Any of the above could have a material adverse effect on the Company's business, operating results and financial condition.

Changes in consumer demand and preference for the commodities relevant to us could have a material adverse effect on the Company's business, operations and financial performance.

The PGM industry is subject to changes in manufacturing demands, consumer preferences, personal sentiments, perceptions and spending habits. Such factors include global financial and economic conditions, media coverage, consumer incomes and consumer preferences. Any change in consumer preferences, levels of consumer spending, changes to consumer preferences or otherwise, may have a material adverse effect on the Company's results of operations or financial condition. A prolonged or significant economic contraction in Europe, North America, China or other key regions worldwide could put downward pressure on the market prices of PGMs, particularly if demand for PGMs declines in connection with reduced automobile demand.

Changes in demand drivers for PGMs may cause the prices of PGMs to fall over the short or long term. For example, PGM prices are linked to demand for catalytic converters in automobiles, among other things. Any economic downturn or other event that reduces the sale of automobiles will likely impact the price of PGMs. In addition, high PGM prices may cause demand destruction, which would cause the price of such PGMs to fall. Within the overall PGM market, demand for individual metals is influenced by factors such as the growth in demand for diesel-engine vehicles (which currently predominantly use platinum as their catalyst) relative to gasoline-engine vehicles (which currently predominantly use palladium as their catalyst). In addition, the increase in the number of electric cars in the future may reduce the price for PGMs by reducing demand for catalytic converters (which require PGMs) used in gasoline-powered vehicles.

Motor vehicle industry demand for PGMs is also driven by engine design specifications and, in particular, the size of vehicle engines as this influences the amount of PGMs required for their exhaust catalysts. A decrease in the engine size of vehicles being manufactured, resulting in reduced demand for each of the individual metals used for catalysis, will also therefore negatively affect the demand for PGMs. However, in order to meet new and increasingly more stringent emissions standards imposed by legislation on a country-by-country basis or by international agreements, original equipment manufacturers have historically reacted through design specifications which require increased loadings of PGMs compared to older designs. If global emissions standards cease to tighten, new emissions standards are deferred or existing standards are loosened by regulators or by legislation, the quantity of and demand for PGMs required for new engine designs could decrease significantly. In addition, original equipment manufacturers' design specifications typically become more efficient over time in achieving the desired level of emission reduction, thereby decreasing demand for PGMs even in the absence of a decrease in emissions requirements. This "thrifting" process, whether based on existing technological capabilities or new developments, may further reduce demand in the autocatalysis sector, undermining the market price for PGMs.

The jewelry industry comprises another significant source of demand for PGMs, principally platinum and palladium. Demand for PGMs within the jewelry sector may decrease due to declining consumer demand for luxury goods during periods of economic uncertainty. According to CRU, China is the world's largest jewelry market, as well as home to much of the global jewelry manufacturing capacity and, therefore, demand for PGMs may be affected by economic, social and political conditions and other factors affecting levels of consumer spending in China. In addition, demand for platinum jewelry is subject to trends in fashion and consumer taste which may shift demand towards other precious metals, or prove cost sensitive to higher PGM prices, further reducing the demand for PGMs.

Demand for PGMs also comes from a variety of industrial applications, including their use in the manufacture of flat screen televisions, as a catalytic agent in the petrochemical industry and in the production of fertilizers and phosphates. Demand for industrial uses of PGMs has been, and is likely to continue to be, reliant to a large degree on general macroeconomic conditions. Historically, industrial users have stockpiled and may continue to stockpile PGMs during periods of low PGM prices, which may reduce demand for PGMs during periods of high PGM prices or economic uncertainty. In addition, a change in technology in specific industrial applications to non-PGM based manufacturing processes, or an increase in recycling of PGMs from the scrapping of obsolete manufacturing capacity that contain PGMs, could lead to a reduction in PGM usage.

In addition, platinum, palladium and rhodium exchange trade funds ("ETFs") have added a further element of unpredictability and volatility to the pricing environment and may increase volatility in PGM prices, particularly during structurally tight markets. ETF investors may exhibit procyclical behavior, purchasing shares in ETFs during times of rising prices and selling holdings during periods of declining prices. This behavior may exacerbate short term price volatility. The market prices of platinum, palladium, rhodium and other PGMs have been, and may in the future be, subject to rapid short-term changes.

PGM production has historically been relatively inelastic to price due to PGMs being mined as a basket.

PGMs generally co-present in the same ore body and at relatively consistent grades in each ore body based on the region and reef. As a result, miners are generally unable to materially change their rate of production for a specific PGM relative to another PGM. According to CRU, this has in the past and may in the future result in an inelastic supply response to pricing, which CRU refers to as the basket problem. CRU notes that lower platinum prices in the past have not resulted in a reduction in production resulting in an oversupply as producer decisions have been made based on the total revenue generated inclusive of other metals, particularly palladium and rhodium. As a result, significant price increases in one PGM can lead to an overall pricing environment where miners are incentivized to produce an oversupply of other PGMs.

An oversupply of PGMs relative to demand may reduce PGM prices and adversely affect the Company's results of operation and financial position.

Oversupply of PGMs has in the past had and may in the future have a negative impact on PGM prices. Oversupply may result from various factors, including the release of PGMs into the market by ETFs, de-stocking by PGM producers and others with PGM stockpiles, forced selling of PGMs held for investment purposes, and through increased production. Due to the concentration of PGM mining (particularly for platinum and rhodium) and processing in South Africa, a sizeable majority of global production is subject to similar social, political and local macroeconomic influences, such as wage inflation or labour market uncertainty, which could affect the future profitability, or viability, of some or all of the PGM producers in that country. These PGM producers may increase production levels to improve profitability or contain increases in unit costs arising from wage inflation or other factors, which could lead to oversupply.

Oversupply may also result from increased recycling levels, the impact of which is difficult to predict, as recycling is measured differently between PGM producers and various industry analysts. Recycling of PGMs, particularly those contained in catalytic converters and jewelry, constitutes a secondary source of supply. The recycling of PGMs contained in catalytic converters has become more commercially attractive as the drive to recycle automobiles and other vehicles at the end of their useful lives has increased and is now mandated by legislation in some jurisdictions. This is particularly the case where the catalytic converter contains material amounts of PGMs, for example, in vehicles with larger engines or which were designed to comply with emissions control regimes at an early stage before thrifting reduced the PGM content. Supply from the jewelry sector may also increase as a result of increased amounts of platinum returning to the market through the recycling of jewelry, particularly during periods of high platinum prices. Recycling may adversely impact PGM prices by serving as an economic alternative supply of PGMs during periods of robust PGM prices.

Furthermore, if the Company's competitors significantly increase their production, either from primary sources of supply or as by-products from the production of other metals, or if major new bodies of PGM bearing ore are discovered and brought into production, then in the absence of an increase in demand, the price of PGMs in general would likely fall. Global supply of PGMs could also increase as a result of significantly improved mining or refining techniques which increase worldwide production from existing mines, substantially increased recovery rates, or from the winding-up of ETFs and the corresponding release of such PGM holdings back into the market.

An oversupply of PGMs resulting from a combination of some or all of these factors could result in PGM prices falling to levels where production is not economically viable, which may require us to suspend further operations.

PGM usage in hydrogen fuel cells may be less than expected which adversely affect demand for PGMs in particular platinum.

The production of hydrogen fuel via electrolysis as well as the storage and consumption of hydrogen fuel requires PGMs as catalysts, specifically platinum, and depending on the process iridium, ruthenium and palladium. While currently a relatively small component of PGM demand, CRU expects the hydrogen economy to generate significant demand for PGMs, specifically platinum. The outlook of the hydrogen economy, including but not limited to the scope and timing of infrastructure development, technology adoption, government regulation and consumer behaviors, all may have an adverse impact on the long-term demand for PGMs.

Weak or reduced demand for PGMs resulting from a combination of some or all of these factors may have a material adverse effect on the Company's results of operations or financial condition.

The global COVID-19 pandemic has significantly impacted the global economy and markets and is likely to continue to do so, which could adversely affect the Company's business, financial condition, results of operations and prospects.

The COVID-19 pandemic has resulted in a widespread health crisis that has adversely impacted economies, financial markets and business operations worldwide, and the conduct of commerce generally. The first case of COVID-19 was recorded in South Africa on March 5, 2020, and a national state of disaster was declared on March 15, 2020.

In parts of 2020, 2021 and 2022, governmental authorities in various jurisdictions-imposed lockdowns or other restrictions to contain the virus, and many businesses suspended or reduced operations. PPM ceased or reduced operations for 42 days in 2020 during that initial hard lockdown imposed by the South African government, resulting in an estimated 16,509 4E ounces lost. On April 4, 2022, the President of South Africa announced the end of the country's National State of Disaster which resulted in the end of the government-imposed lockdown and the restrictive measures in South Africa. Following this, the Company was able to operate at normal levels of production. Since the end of the government-imposed lockdown, the Company has not experienced difficulties related to employee productivity and absenteeism related to COVID-19.

Additional waves and new variants may emerge from time to time and as a result, we may experience difficulties related to reduced productivity and increased costs due to social distancing, sanitization, compulsory use of personal protective equipment, isolation of employees who may have had direct or indirect contact with COVID-19 and other operational measures to support efforts to slow the spread of the virus. We could also face increased healthcare costs in connection with testing and the potential cost of vaccinations. Absenteeism by ill, infected, isolated or quarantined employees or members of management and increased COVID-19 health and safety measures may also disrupt operations or adversely impact employee productivity. The impact of business disruptions has resulted in, and may continue to result in, plant closures, decreased production capacity, and delays in deliveries. In addition, although currently approved vaccines have been shown to be effective against the predominantly circulating variants, new SARS CoV-2 variants could be less impacted by existing vaccines. Should a new variant or variants emerge that are less impacted by existing vaccines, this could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Furthermore, the effects of COVID-19 and associated governmental responses had, particularly during 2020, 2021 and the first half of 2022, adversely affected commodity price volatility due to material slowdowns in economic growth in a number of national economies, consumer sentiment and demand deterioration from affected customers and countries, supply disruption from key producing regions and logistical constraints impacting supply chains. Economic volatility or disruptions in the financial markets could also adversely affect the Company's ability to obtain future debt or equity financing for acquisitions or development of the Company's projects on acceptable terms.

There is uncertainty regarding the effects of COVID-19 and any new SARS-CoV-2 variants, the duration of the pandemic, new information that may emerge concerning the severity of the infection, the scope, duration and economic impact of actions taken to contain the spread of the virus or treat its impact, and the impact of each of these items on macroeconomic conditions and financial markets globally. Any of these factors could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

The ongoing military conflict between Russia and Ukraine could have a material adverse effect on the global mining industry and the Company's business, financial condition and results of operations.

In February 2022, Russia invaded Ukraine, triggering an ongoing humanitarian crisis in Europe as well as volatility in financial markets globally, heightened inflation, shortages and increases in the prices of energy, oil, gas and other commodities and heightened cybersecurity threats. In response, the United States, the European Union and the United Kingdom, among others, announced targeted economic sanctions on Russia, certain Russian citizens and enterprises, including financial measures such as freezing Russia's central bank assets and limiting its ability to access its dollar reserves. The continuance or escalation of the conflict, including the extension of the conflict to other countries in the region, could lead to further increases in energy prices and heightened inflationary pressures, which in turn could lead to further increases in interest rates. In addition, the conflict has exacerbated supply chain problems, particularly to those businesses most sensitive to rising energy prices.

Although we do not have a presence in Russia or Ukraine, we monitor the developments in international relations to assess any potential future impacts that may arise. We cannot ensure that we will not be impacted by any current or future international conflict. Furthermore, the adverse effects of the ongoing conflict between Russia and Ukraine, and/or additional economic sanctions and import and/or export controls that may be imposed on the Russian government by the United States or others, and the above-mentioned adverse effect on the global and South African economies and market conditions could have a material adverse effect on the Company's business, financial condition and results of operations. In addition, the South African government's perceived friendship with Russia may adversely affect the ability of companies with operations in South Africa, such as the Company, to obtain external financing. See also "*—Changes in the market price for PGMs, which in the past have fluctuated widely, affect the profitability of the Company's PGM mining operations and the cash flows generated by those operations*" and "*—Risks related to South Africa—Economic, political or social instability in South Africa may have a material adverse effect on the Company's operations and profits*."

The Company's Mineral Reserves and Mineral Resources estimates may be materially different from mineral quantities the Company may ultimately recover, the Company's estimates of life-of-mine may prove inaccurate and market price fluctuations and changes in operating and capital costs may render certain Mineral Reserves or Mineral Resources uneconomic to mine.

The Company reports its Mineral Reserves and the concentration or occurrence of solid material of economic interest in or on the Earth's crust in such a form, grade or quality, and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling ("Mineral Resources") in accordance with the requirements of the SAMREC Code (2016 Edition). The Company's reported Mineral Reserves represent the Company's estimate of quantities of 6E and other metals that have the ability, and the Company's reported Mineral Resources represent the Company's estimate of quantities of 6E and other metals that have the potential to be economically mined and refined under anticipated geological and economic conditions. There are numerous uncertainties inherent in estimating quantities of Mineral Reserves and Mineral Resources and in projecting potential future rates of mineral production, including many factors beyond the Company's control. The accuracy of any Mineral Reserve or Mineral Resource estimate is a function of a number of factors, including the quality of the methodologies employed, the quality and quantity of available data and geological interpretation and judgment, and is also dependent on economic conditions and market prices being generally in line with estimates.

Furthermore, estimates of different geologists and mining engineers may vary, and results of the Company's mining and production subsequent to the date of an estimate may lead to revision of estimates due to, for example, fluctuations in the market price of ores and metals, reduced recovery rates or increased production costs due to inflation or other factors which may render Mineral Reserves and Mineral Resources containing lower grades of mineralization uneconomic to exploit and may ultimately result in a restatement of Mineral Reserves and/or Mineral Resources and may adversely impact future cash flows. Further, mineral 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 an ore body is obtained, the estimates may change significantly. In addition, the Mineral Reserves the Company ultimately exploits may not conform to geological, metallurgical or other expectations and the volume and grade of ore recovered may be below the estimated levels. Mineral Reserves and Mineral Resources data is not indicative of future production. To mitigate this risk the Company appoints independent third parties to review the Company's Mineral Reserves and Mineral Resources on a cycle of at least once in every year. Similarly, all mining project feasibility studies are subject to independent reviews prior to any application for capital approval by the Company's board of directors.

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 the Company will in the long term be able to identify additional Mineral Reserves or Mineral Resources or continue to extend the mine life of the Company's existing operations. Without such additional Mineral Reserves and Mineral Resources, any increase in the level of annual production would therefore shorten the life of the Company's existing operations. Any failure to identify, delineate and realize Mineral Reserves and Mineral Resources in the future could have an adverse effect on the Company's business, financial condition and results of operations.

Economic extraction of minerals from identified PGM deposits may not be viable.

The economic viability of a PGM deposit, including at any current project in which the Company has an interest, is dependent on several factors, not all of which are within the Company's control. These include deposit attributes such as size and grade, structural complexity including faulting and potholing, government regulation, the prevailing price for PGMs, prevailing currency exchange rates, land tenure and titles, availability of capital, and other factors. The full effect of these factors, either alone or in combination, cannot be entirely predicted, and their impact may result in us not being able to economically extract minerals from any identified Mineral Resource.

The development of any of the Company's mineral projects into commercially viable mines cannot be assured.

PGM development and exploration projects, such as the development of the Triple Crown Properties and the Mphahlele Project, have no operating history on which to base estimates of future commercial viability. Estimates of Mineral Resources and Mineral Reserves are largely based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies. This information is used to calculate estimates of the capital cost and operating costs based on anticipated tonnage and grades of ore to be mined and processed, the configuration of the Mineral Resource, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions, and other factors. As a result, the actual capital cost, operating costs, and economic

returns of any proposed mine may differ from those estimated, and such differences could have a material adverse effect on the Company's business, results of operations, financial condition, and prospects. There can be no assurance that the Company will be able to complete the development of its mineral projects, or any of them, at all or on time or to budget due to, among other things, and in addition to those factors described above, changes in the economics of the mineral projects, delays in receiving required consents, permits and licenses (including mining licenses), the delivery and installation of plant and equipment and cost overruns, or that the current personnel, systems, procedures, and controls will be adequate to support the Company's operations. Should any of these events occur, it would have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company may experience unforeseen difficulties, delays or costs in implementing its business strategy and operational plan.

The Company's ability to grow the Company's business will depend on the successful implementation of its existing and proposed strategic initiatives and operational plans at the Company's historical operations, and development of the Company's project pipeline including the Triple Crown Properties and the Mphahlele Project. In addition, the Company may construct, own and operate a processing plant which will use the Kell Process Technology. For more information, see "*—The Kell Processing Plant, including deployment of the Kell Process at a commercial scale, may not be successful, which could have a material adverse effect on the Company.*"

The successful implementation of the Company's strategic initiatives and operational plans, depends upon many factors, including those outside the Company's control. The Company may prove unable to deliver on production targets and other strategic initiatives. Unforeseen difficulties, delays or costs may adversely affect the successful implementation of the Company's business strategy and plans, and such strategy and plans may not result in the anticipated benefits. For example, a number of factors, which are discussed in more detail elsewhere in this section, such as, but not limited to, volatility in PGM pricing, operating costs, safety-related issues, organized labour action and technical issues may result in a failure to meet operations targets or strategic goals. Any such difficulties, delays or costs could prevent the Company from fully implementing its business strategy, which could have a material adverse effect on its business, operating results and financial condition.

In addition, any existing or future initiatives may not be implemented as planned, turn out to be less effective than anticipated; only become effective later than anticipated or not be effective at all. Any of the above could have a negative impact on the Company's business, operating results and financial condition.

As the Company further expands its current mining operations, the Company may experience problems associated with mineral exploration or developing mining projects.

The Company's ability to sustain or increase levels of PGM production is dependent in part on the successful expansion of the Company's mining operations, including development of the Triple Crown Properties and the Mphahlele Project. The economic feasibility of such projects is based upon many factors, including, among others: the accuracy of Mineral Reserves and Mineral Resources estimates; metallurgical recoveries; capital and operating costs of such projects; government regulations relating to prices, taxes, royalties, land tenure, land use, importing, exporting and environmental protection; and PGM commodity prices. Projects to replace existing capacity or expansions are also subject to the successful completion of feasibility studies, the issuance of necessary governmental permits and the availability of adequate financing. If the Company is unable to execute such projects successfully, it could have an adverse effect on the Company's business, financial condition and results of operations in the long term.

The PGM mining industry is capital intensive.

PGM mining requires a substantial amount of capital in order to identify and delineate Mineral Reserves and Mineral Resources through geological mapping and drilling, to identify geological features they may prevent or restrict the extraction of ore, to construct mining and processing facilities, expand production capacity (including by sinking or deepening existing shafts), to replenish reserves, to purchase, maintain and improve assets, equipment and infrastructure, to comply with legal or regulatory requirements or industry standards as well as to meet unexpected liabilities. Large amounts of capital are required to implement projects, and long-term production and processing requires both significant capital expenditure and ongoing maintenance expenditure. The Company expects to materially increase its capital expenditures to support the growth in the Company's business and operations in South Africa, including the development of the Company's Triple Crown Properties and the Mphahlele Project. In addition, the Company may construct, own and operate a processing plant which will use the Kell Process Technology. For more information, see "*—The Kell Processing Plant, including deployment of the Kell Process at a commercial scale, may not be successful, which could have a material adverse effect on the Company.*"

The Company's liquidity requirements arise primarily from the need to fund the Company's capital expenditure program and existing operations. The Company's principal source of liquidity has been equity and free cash flow. These cash flows have been fundamental to the funding of the Company's existing operations and maintaining a

pipeline of projects. The Company's cash flows may be adversely affected by a number of factors, which are discussed in more detail elsewhere in this section, such as, but not limited to, PGM prices resulting from market supply and demand dynamics, real increases in operating expenses such as electricity and changes in production due to declines in operational productivity.

The Company's business plan is based on, among other things, expectations as to capital expenditures and if the Company is unable to fund those capital expenditures the Company will not achieve the targets set forth in its business plan or be able to develop future capital projects. If the Company is unable to fund its planned capital expenditure projects as a result of its operations being unable to generate sufficient cash flow or as a result of difficulties in raising debt or equity funding to support future capital expenditures and investments, the Company may no longer be able to complete existing capital projects. In addition, the Company may be unable to develop new capital projects so as to continue production at cost-effective levels. Furthermore, any such reduction in capital expenditure may cause the Company to forego some of the benefits of any future increases in commodity prices, as it is generally costly or impossible to resume production immediately or complete a deferred expansionary capital expenditure project, which in the longer term may adversely affect the Company's results of operations or financial condition.

The Company may require additional capital in the future, and no assurance can be given that such capital will be available at all or available on terms acceptable to the Company.

As of December 31, 2022, the Company had consolidated cash and cash equivalents of approximately USD155.4 million and working capital of USD184 million. The Company makes, and will continue to make, substantial capital expenditures related to exploration activities, development and production. Historically, the Company has financed these expenditures primarily with equity offerings.

If the Company is unable to fund its planned capital expenditure projects as a result of its operations being unable to generate sufficient cash flow or as a result of difficulties in raising debt or equity funding to support future capital expenditures and investments, the Company may no longer be able to complete existing capital projects. In addition, the Company may be unable to develop new capital projects so as to continue production at cost-effective levels. Furthermore, any such reduction in capital expenditure may cause the Company to forego some of the benefits of any future increases in commodity prices, as it is generally costly or impossible to resume production immediately or complete a deferred expansionary capital expenditure project, which in the longer term may adversely affect the Company's results of operations or financial condition.

The Company's capital expenditures financed by borrowing additional funds may increase the Company's leverage and make it more difficult for us to satisfy the Company's obligations, limit the Company's ability to obtain additional financing to operate its business, require it to dedicate a substantial portion of its cash flow to payments on its debt, which may reduce the Company's ability to use its cash flow to fund working capital, capital expenditures and other general corporate requirements, and place the Company at a competitive disadvantage relative to some of its competitors that have less debt.

On July 15, 2022, we entered into stream agreements ("Orion Stream Agreements") with companies managed by Orion Resource Partners, pursuant to which companies managed by Orion Resource Partners (being OMF Fund III (In) LLC, OMF Fund III (Kr) LLC and OMRF (Ni) LLC) agreed to pay the Company, subject to certain conditions precedent, an aggregate prepayment amount of USD100.0 million in consideration for the sale and delivery of metal credits in an amount equal to a certain percentage of refined metals produced by PPM on a monthly basis. In addition, on July 15, 2022, PPM, as borrower, and Nedbank Limited as lender and facility agent, entered into a facility agreement and a common terms agreement, pursuant to which, *inter alia*, Nedbank agrees to make available, subject to a draw down request and the fulfilment of certain conditions precedent, a revolving facility of up to R500.0 million, available for three years, to be used for working capital purposes ("Nedbank Facility Agreement"). If we are unable to repay or refinance our short- and long-term borrowings as they mature, this would have a material adverse effect on our financial condition.

Our existing and future debt and other agreements contain and may contain, among other provisions, covenants that restrict our ability to finance future operations or capital needs or to engage in other business activities. For example, the Orion Stream Agreements and/or the Nedbank Facility Agreement contain covenants that limit our ability to, among other restrictions, incur additional indebtedness, create liens on our assets, pay dividends on or redeem capital stock, make restricted payments, enter into transactions with affiliates and engage in certain acquisitions and dispositions of assets. Given the long-term nature of these agreements, these covenants and restrictions may present a material constraint on our operational and strategic flexibility and may preclude us from entering into strategic transactions that would be beneficial to us. A breach of any of these covenants could result in an event of default under the relevant agreement, and any such event of default or resulting acceleration under such agreements could result in an event of default under other agreements.

In addition, the Company may have additional capital requirements to the extent it identifies and decides to proceed or accelerate exploration activities, develop future mining operations, or take advantage of opportunities for acquisitions, joint ventures or other business opportunities. The Company may also incur major unanticipated liabilities or expenses. There

can be no assurance that the Company will be able to obtain necessary financing in a timely manner on acceptable terms, if at all.

The Company may be negatively affected by the grey-listing of South Africa by the FATF which may have an adverse effect on cost of funding and the ability to secure financing.

The Financial Action Task Force ("**FATF**") is an independent inter-governmental body that develops and promotes policies to protect the global financial system against money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction. In October 2021, the FATF published its Mutual Evaluation Report on South Africa in which it identified major "weak spots" in South Africa's compliance processes and provided South Africa with a deadline of February 2023 to remedy all the deficiencies or face possible grey listing.

On February 24, 2023, the FATF announced that South Africa has been grey listed, which could have significant economic consequences for the country. This designation could impair the country's links to the global financial system, increase the cost of capital, and create additional barriers to doing business in South Africa. One of the primary concerns associated with grey listing is the potential impact on the country's access to international financial markets. The designation could make it more difficult for South African companies to secure financing from global investors and banks, increasing the cost of capital for businesses and potentially slowing economic growth. Additionally, international businesses and investors may be more hesitant to engage in business transactions with South African companies, leading to a reduction in foreign investment and increased difficulty in conducting international trade.

The grey listing could also lead to increased regulatory scrutiny and compliance costs for South African businesses. Companies may face additional requirements related to anti-money laundering and counter-terrorist financing measures, which could result in increased expenses and complexity. This may restrict the Company's future access to international financing and could have a material adverse effect on the Company's business, financial condition and results of operations.

A number of the Company's development projects rely on underground mining extraction methods which differ from its current open cast mining operations.

The underground mines that the Company plans to develop on the Triple Crown Properties and the Eastern Limb will rely on underground mining extraction methods. Each of the projects will require development of surface portals and underground declines to access the Mineral Reserves. Underground development activities and operating conditions are different from open pit mining, and the Company may face challenges due to its lack of operating experience with respect to underground mines. There can be no guarantee that the Company will be able to develop underground projects on time or on budget and operate them in a manner that is consistent with the Company's pre-feasibility or feasibility studies.

The Kell Processing Plant, including deployment of the Kell Process at a commercial scale, may not be successful, which could have a material adverse effect on the Company.

The Company holds, through a wholly owned subsidiary, Orkid S.a.r.l, a 50% interest in Mauritius-incorporated Kelltech Limited ("Kelltech"). The remaining 50% interest in Kelltech is held by Lifezone Limited ("Lifezone"), the developer and exclusive owner of the patent for the hydrometallurgical concentrate processing technology that Kelltech has an exclusive license to use and to sublicense in the countries forming part of the South African Development Community, excluding Comoros and Mauritius (the "Kell Process Technology").

PPM has potential future plans to construct, own and operate a processing plant which will use the Kell Process Technology (the "Kell Processing Plant"), which the Company expects will transform the processing of PGM concentrates into saleable metal in greener and less energy intensive manner. There is no guarantee that the Kell Processing Plant will be commissioned at all or if commissioned, that it will be commissioned on time or on budget or will deliver the performance the Company anticipates. The Company must obtain and maintain in good standing certain permits and licenses to construct and operate the Kell Processing Plant.

A definitive feasibility study ("DFS") evaluating the use of the Kell Process on the Company's concentrate was undertaken by Simulus Engineers Proprietary Limited in Australia in 2013. The study demonstrated positive economics from a robust process. Extended pilot plant trials were undertaken between 2014 and 2016. The pilot plant was able to repeat the results achieved in the previous laboratory tests. Nevertheless, as a whole, the Kell Process Technology is yet to be industrialized in the mining sector. There can be no guarantee that operation at a commercial scale will deliver the same recoveries and costs and environmental benefits as demonstrated at the pilot plant scale and as outlined in the feasibility study and actual results may differ materially.

Development expenditures for the potential Kell Processing Plant will be subject to an updated DFS.

It is possible that the potential Kell Processing Plant will be unsuccessful which could result in a loss of the Company's investment in the development and associated impairment change, the need for further optimization of the process flowsheet, adjustment of the equipment selection or other changes to the project, which may result in increases in capital cost and operating cost, and delays in achieving commercial operation.

The Company may not be able to source sufficient concentrate for use in a potential Kell Processing Plant.

The concentrate produced from the Company's own operations may not be sufficient initially to supply the potential Kell Processing Plant. The Company may not be able to source such concentrate at a reasonable cost, in sufficient quantities or on agreeable terms to fully utilize the capacity of the potential Kell Processing Plant, which would have an adverse impact on the Company's returns from such investment.

The Company relies on Lifezone to provide technical and operational expertise in operating of potential future processing plants using the Kell Process Technology

Although Kelltech has perpetual and exclusive rights to use and sub-license the Kell Process Technology within certain countries in the South African Development Community (the "SADC") for processing PGMs, Kelltech will continue to depend on Lifezone's technical and operational expertise in commercializing and successfully implement the Kell Process Technology, including the expertise provided by Mr. Keith Liddell and others.

If the Company is not able to utilize and/or Lifezone is not able to provide the technical and operational expertise for purposes of successfully implementing the Kell Process Technology, then there may be an adverse impact on the Company's ability to realize the benefits of the Kell Process Technology.

If the Company fails to comply with its obligations under license or technology agreements with third parties, the Company may be required to pay damages and the Company could lose license rights that are critical to its business.

The Company licenses certain intellectual property rights, including technologies and data from third parties, that are important to the Company's business, and in the future the Company may enter into additional agreements that provide the Company with licenses to valuable intellectual property rights or technology. For example, Kelltech has been granted by Lifezone an exclusive license to use the Kell Process Technology within specific territories in the SADC region, and a non-exclusive license to sell the products produced by the Kell Process Technology.

If the Company fails to comply with its material obligations under the respective license agreements, the Company may be required to pay damages and the relevant licensor may have the right to terminate the license. Termination by a licensor may cause the Company to lose access to third party intellectual property, and could prevent it from selling its products and services, or inhibit its ability to commercialize future products and services. The Company's business would suffer commercially if any current or future intellectual property licenses terminate, if the licensors fail to abide by the terms of the license, if the licensors fail to enforce licensed intellectual property against infringing third parties, if the licensed intellectual property rights are found to be invalid or unenforceable, or if the Company is unable to enter into necessary licenses on acceptable terms. In addition, the Company's rights to certain technologies are licensed to it on a non-exclusive basis. The owners of these non-exclusively licensed intellectual property are therefore free to license it to third parties, including the Company's competitors, on terms that may be more favorable to those offered to the Company, which could place the Company at a competitive disadvantage in respect of competitors. In addition, the agreements under which the Company licenses intellectual property rights from third parties are generally complex, and certain provisions in such agreements may be open to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what the Company believes to be the scope of its rights to the relevant intellectual property rights or technology, or increase what the Company believes to be its financial or other obligations under the relevant agreement. Any of the foregoing could have a material adverse effect on the Company's competitive position, business, financial condition, and results of operations.

The Company's PGM exploration projects may not be successful and are highly speculative in nature.

Exploration for PGMs is highly speculative in nature, and there is no guarantee of exploration success. The Company's exploration in South Africa involves many risks, and success in exploration is dependent on several factors including, but not limited to, quality of management, quality and availability of geological expertise and availability of exploration capital.

Exploration activity is usually followed by more costly feasibility studies and bankable feasibility studies and these may indicate that a project is not viable. As a project moves from the exploration phase to the bankable feasibility stage the costs involved become more significant. As such, mining development projects typically require a number of years and

significant expenditure during the development phase before production is possible. It is not possible to provide any assurances that any project would be completed on time or to budget.

Estimates of Mineral Reserves and Mineral Resources are based upon the interpretation of geological data obtained from drill holes. Feasibility studies derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the orebody, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors.

References to Mineral Reserves and Mineral Resources figures are estimates and there can be no assurance that they will be recovered or that they can be brought to profitable production. Mineral Reserve and Mineral Resource estimates may require revision based on actual production experience. A decline in the market price for PGMs may render Mineral Reserves containing relatively low grades of mineralization uneconomic and may in certain circumstances ultimately lead to a restatement of Mineral Reserves or Mineral Resources.

As a result of the above, the Company cannot give any assurance that its future exploration efforts will result in the discovery of Mineral Reserves or Mineral Resources or result in the discovery of any Mineral Resource suitable for economic extraction.

Due to the mature infrastructure at the Company's mining operations, unplanned breakdowns, statutorily mandated modifications and stoppages may result in production delays, increased costs and industrial accidents.

Infrastructure at the Company's operations, the concentrator plant, tailings scavenging plant and chrome plant at the PPM, are relatively mature. Maintaining this infrastructure requires skilled people, capital allocation, management and regular, planned maintenance. More than normal maintenance and care are required once a shaft or a processing plant has reached the end of its intended lifespan or needs modification to comply with the applicable regulatory standards. Incidents resulting in production delays, increased costs or industrial accidents may occur. For example, during the inspection of the tailings thickener, as part of the 2021 annual maintenance shutdown of the PPM concentrator, it was observed that the integrity of a portion of the concrete floor expansion joint sealing arrangement was in an unsatisfactory state which compromised the reliability of the facility with the potential to cause major unplanned business interruption. Following the recommendation of the specialist civil contractor technical representative and the consulting structural engineer, a decision was taken to undertake sealing repair work which resulted in an operational downtime of a total of 33 days, at a total repair cost of R5.6 million. As the Company only has one concentrator plant, the Company relies on functioning as scheduled. There is also a risk that delays in procuring critical spares for major repairs may result in disruptions to production. Such incidents may have a material adverse effect on the Company's business, operating results and financial condition.

If the Company's internal controls are ineffective, its operating results could be adversely affected.

The Company's internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls or fraud. Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Company fails to maintain the adequacy of its internal controls, including any failure to implement required new or improved controls, or if it experiences difficulties in their implementation, its business and operating results could be harmed and it could fail to meet its financial reporting obligations.

In conjunction with the audit of the Company's consolidated financial statements, the Company identified material weaknesses in the Company's internal control over financial reporting as of December 31, 2022 and December 31, 2021. A material weakness is a deficiency, or combination of control deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim condensed consolidated financial statements will not be prevented or detected on a timely basis. The material weaknesses identified relate to the Company's insufficient accounting resources and processes necessary to comply with the reporting and compliance requirements of a public company. For additional information regarding the material weaknesses, including the Company's remediation plan with respect to the material weaknesses, please see "Internal control over financial reporting" herein.

Actual and potential supply chain shortages and increases in the prices of production inputs may have a material adverse effect on the Company's operations and profits.

The Company's results of operations may be affected by the availability and pricing of raw materials and other essential production inputs, including, for example, equipment, explosives, fuel, steel, cyanide and other reagents required at the Company's mining and processing operations. The price and quality of raw materials may be substantially affected by changes in global supply and demand, along with weather conditions, governmental controls and other factors. A sustained interruption in the supply of any of these materials could require the Company to find acceptable substitute suppliers and could require the Company to pay higher prices for such materials. The prices of certain of the Company's production inputs are impacted by, among other things, the prices of oil and steel, which may be volatile. Any significant increase in the prices of these materials will increase the Company's operating costs and affect production

considerations. Furthermore, the cost of construction materials and the prices of certain of our production inputs are impacted by, among other things, the prices of such raw materials, including oil and steel, which may be subject to price volatility. The price of these materials may continue to rise as a result of inflation, resulting in significantly higher construction costs. Any significant increase in the prices of these materials could increase our operating costs and affect production considerations, which may have a material adverse effect on the Company's operations and liquidity.

Power stoppages, fluctuations, usage constraints as well as limited access to sufficient water may force the Company to halt or curtail operations or increase costs.

The Company's operations are dependent on electricity supplied by Eskom, a state-owned electricity utility company that historically held a monopoly in the South African market, including ventilation and hoisting in the underground environment. Prolonged power outages, disruption, or shortage in supply to the Company's operations would have a material adverse impact on production and employee safety. Over the past decade, electricity supply in South Africa has been constrained, with multiple power disruptions and load shedding constraints. After a strike at Eskom in June 2018, Eskom commenced load shedding (i.e., a controlled process that responds to unplanned events in order to protect the electricity power system from a total blackout) to protect the national system from a total blackout. Eskom has since increased implementation of load shedding due to severe constraints placed on the generation system due to various constraints on its power generation units, including unplanned outages. Load shedding is expected to increase in the short to medium term, particularly as South African economy recovers from COVID-19. There is no assurance that Eskom's efforts to protect the national power grid will prevent a complete nationwide blackout, which would have a material adverse effect on the Company's business, operating results and financial condition. There is an evident increase in self-generation in the mining industry in South Africa by means of the development of solar photovoltaic and biomass generation facilities, which the Company is evaluating. However, this mitigation measure is subject to significant capital and operating expenditure and the obligation to apply to National Energy Regulator of South Africa ("NERSA") for a generation license.

Eskom has increasing costs of generation emanating from, among others, primary energy costs such as high diesel consumption related to its use of peaking power plants to supplement the shortfall in base load generation, reduced generation of electricity from its base load fleet as a result of a very low energy availability factor at its old power stations, operating costs and asset related revenue recovery.

Eskom is required to submit regular applications to NERSA, an independent regulatory body, in accordance with, among others, the principles set out in the Electricity Regulation Act, 2006 (Act No. 4 of 2006) requesting an increase in the power tariffs. Each tariff increase request, if granted by NERSA, results in higher energy costs for electricity users in South Africa, including the Company. During certain periods of load shedding, Eskom has burned significant amounts of diesel to run its gas turbines and asked large power users to curtail their power demand. This has contributed to Eskom's ongoing financial difficulties and above inflation tariff applications to the NERSA. NERSA granted Eskom an 18.65% increase for the 2023/2024 financial year and a 12.74% increase for the 2024/2025 financial year. It is likely that Eskom's electricity tariffs will continue to increase significantly, despite the South African government's announcement in 2023 that it would provide Eskom with debt relief of R254 billion in combined principal and interest over a three year period, thereby reducing Eskom's indebtedness to more sustainable levels.

In February 2019, the President of South Africa announced the vertical unbundling of Eskom. While full state ownership will be maintained, the unbundling is expected to result in the separation of Eskom's generation, transmission and distribution functions into separate entities, which may require legislative and/or policy reform. It is expected that this process will take time to implement, causing continued poor reliability of the supply of electricity, instability in prices, and a possible tariff increase above inflation, which are expected to continue through the unbundling process. Should the Company experience further power tariff increases, the Company's operating results, and financial condition may be adversely impacted.

The South African Department of Public Enterprises is developing a recovery program in an attempt to improve the reliability of power supply in South Africa. However, there can be no assurance that this program will provide sufficient supply for the needs of the country or for us to run the Company's operations at full capacity or at all.

In addition to the Company's dependence on electricity, the Company's operations also require significant amounts of water. The Company is dependent on the availability of water in its areas of operations and in particular on the ability to be provided with a sufficient allocation of water to enable it to conduct its business. The impact of climate change on the long-term availability of water is a major consideration for the Company, particularly in light of the fact that the Company's operations are located in historically water scarce areas. In addition to a decrease in the supply of water as a result of shifting rainfall patterns, an increase in the population growth and urban development in the areas surrounding the Company's operations is expected to lead to increasing demands on the existing water supply which, coupled with inadequate upgrades to existing water infrastructure, may cause water shortages in relation to the Company's areas of operations. If the Company cannot be supplied with sufficient water the Company could suffer

from a reduction in its operating capacity. See also *"— Risks related to environmental, social and governance matters — The Company's operations are subject to water use regulation, which could impose significant costs and burdens.*"

Further, as with the supply of electricity, the Company's operations are dependent on water supplied by Magalies Water, also a state-owned regional water utility. Prolonged water outages, disruption, or shortage in supply to the Company's operations would have a material adverse impact on production and employee safety. The Company does not own, control, or operate the physical infrastructure utilised to supply our bulk water demand. The Company depends on a third-party water supplier to take appropriate measures to maintain and protect the security and integrity of the water supply infrastructure and systems. The Company cannot assure that the measures taken by Magalies Water and its service providers will be effective. There may be instances whereby Magalies Water could decide to permanently or temporarily decide to halt delivery of services without adequate notice, thus resulting in potential loss of service and negative effects to the Company's business and operations. Financial mismanagement, maladministration, corruption, and the like faced by Magalies Water may have negative effects on the Company's business, the nature and extent of which are difficult to predict. Business interruption insurance that the Company may carry in the future may not be sufficient to compensate for the potentially significant losses, including the potential harm to the future growth of our business, which may result from bulk water supply.

Unexpected operational accidents and natural disasters may adversely affect the Company's operations.

The Company's operational processes may be subject to operational accidents such as underground mine and processing plant fires and explosions, damages caused by abnormal wear, inclement weather, incorrect operation, rock bursts, cave-ins or falls of ground, tailings dam failures, collapse of pit walls, flooding, loss of power supply, environmental pollution and mechanical critical equipment failures. The Company's operations may also be subject to unexpected natural disasters such as earthquakes which could adversely affect the Company's ability to produce and deliver PGMs and in general the Company's business, financial condition and results of operations.

The occurrence of one or more of these events may result in the death of, or personal injury to, personnel, the loss of mining equipment, damage to or destruction of mineral properties or production facilities, disruptions in production, increased costs, environmental damage and potential legal liabilities, all of which could have an adverse effect on the Company's business financial condition and results of operations.

If the Company loses senior management or is unable to hire and/or retain sufficient technically skilled employees, the Company's business may be materially adversely affected.

The Company's ability to continue to operate, innovate, implement continuous improvement or expand depends on, among other things, the Company's ability to retain and attract senior management and key employees with appropriate knowledge and skills, experience and other competencies as may be required to remain a competitive business and to achieve the Company's business strategy over the long term. However, the mining industry in South Africa continues to experience a shortage of qualified senior management and technically skilled employees. The Company may be unable to hire or retain (due to departure or unavailability) appropriate senior management, technically skilled employees or other management personnel, or the Company may have to pay and award higher levels of remuneration (sign-on packages, gross packages and short- and long-term incentives) than it currently does. To the extent that the Company is unable to hire or retain appropriate management and technically skilled personnel, or if there are not adequate succession plans in place, this could have a material adverse effect on the Company's business, result in the imposition of fines and have a negative effect on production levels, operating results and financial position.

Because all of the Company's operations are currently concentrated in the Western Limb of the Bushveld Complex, disruptions in this and neighboring regions could have a material adverse impact on the Company's operations.

Due to the geographic concentration of the Company's existing operations in the Western Limb of the Bushveld Complex, in close proximity to the town of Rustenburg in the North West Province, any adverse economic, political or social conditions affecting this region or surrounding regions, as well as natural disasters or coordinated strikes or other work stoppages, could have a material adverse effect on the Company's business, operating results and financial condition.

The Company's insurance coverage may not adequately satisfy all potential claims in the future.

Although the Company has an insurance program, the Company may become subject to liability for pollution, occupational illness or other hazards against which it has not been insured, cannot insure or is insufficiently insured, including those relating to past mining activities. The Company's existing property and liability insurance contains specific exclusions and limitations on coverage. Should the Company suffer a major loss, which is insufficiently covered, future earnings could be affected. In addition, certain classes of insurance may not continue to be available at economically acceptable premiums. As a result, in the future, the Company's insurance coverage may not fully cover the extent of claims against it or any cross-claims made.

The Company is subject to exchange rate and interest rate fluctuations, which may be harmful to the Company's business.

The recent interest rate hikes have heightened the exchange rate risk for the Company, which already faces exposure due to its assets and liabilities and future cash flows and earnings being denominated in non-functional currencies. See "— *Risks related to South Africa* — Because PGMs and gold are generally sold in U.S. dollars, while the majority of the Company's production and a substantial amount of the Company's PGM production costs are denominated in South African rand, the Company's operating results, and financial condition will be materially affected if there is a material change in the value of the South African rand." In addition, a portion of the Company's debt is subject to interest rate fluctuations, including fluctuations in the JIBAR; and the South African prime interest rate ("S.A. Prime"). See "Quantitative and qualitative disclosures about market risk" herein. Fluctuations in exchange rates and interest rates are caused by several factors that are beyond the Company's control.

If exchange rates or interest rates, such as JIBAR and S.A. Prime, increase significantly, the Company's finance expenses will increase, and the Company's ability to obtain financings may decrease, which may materially adversely affect the Company's business, financial condition and results of operations.

The Company uses third-party providers and contractors, and the lack of availability, or failure to properly perform services, of one or more of these third-party providers and contractors may adversely affect the Company.

The lack of availability of, or failure to properly perform services by, one or more third-party providers and contractors, which the Company depends on, could result in a decrease in the Company's production or delays in the development of projects, which in turn could impact the Company's results of operations and financial condition. In particular, a number of resources are only available through a limited number of third parties and, lead-times, work slowdowns, stoppages, or other labour-related developments or disputes involving such third parties or contractors are out of the Company's control. There can be no assurance that the Company will be able to secure in a timely manner, on commercially acceptable terms or at all, the provision of all the services that the Company will need to execute its exploration and development plans, or that such arrangements (both current and planned) will be sufficient for the Company's future needs or will not be interrupted. In addition, the Company may incur liability to third parties as a result of the actions of the Company's contractors.

In addition, certain of the services the Company requires are, or may in the future be, available on commercially reasonable terms only from a limited number of providers, and the Company may encounter difficulties in securing the services of specialized contractors due to high demand for those services. As a result, the Company is dependent on external contractors performing satisfactorily and fulfilling their obligations. While the Company is not aware of any specific matters, the Company's business and development plans may be adversely affected by any failure or delay by third parties in supplying these services, by any change to the terms on which these services are made available, or by the failure of such third-party providers to provide services that meet the Company's quality or volume requirements. If the Company is obliged to change a provider of such services, the Company may experience additional costs, interruptions to production, or other adverse effects on its business. There is a risk that the Company may not be able to find adequate replacement services on commercially acceptable terms, on a timely basis, or at all.

The occurrence of one or more of these risks could have a material adverse effect on the Company's business, results of operations, financial condition, and prospects. The Company currently relies on outside contractors to perform key roles, such as drilling and blasting, as well as loading and hauling. In the medium term, the success of the Company's operations and activities remains dependent to a significant extent on the efforts and abilities of outside contractors, particularly in relation to loading and hauling activities, and therefore the Company's operations remain significantly reliant on their performance.

Should the Company be unable to acquire or retain providers of key services on favorable terms, or should there be interruptions to, or inadequacies with, any services provided, the Company may need to incur capital and operating expenditure. This could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company may be unable to compete successfully for employees, exploration, resources, capital funding, equipment and contract exploration, development and construction services with other mining companies.

The mining industry is competitive in all of its phases, and many of the Company's competitors have greater financial resources and a longer operating history than the Company. The Company may also encounter competition from other mining companies in its efforts to hire experienced mining professionals. In addition, competition for exploration resources at all levels is intense. Increased competition could adversely affect the Company's ability to attract necessary capital funding, to acquire it on acceptable terms, or to acquire suitable producing properties or prospects for PGM exploration in the future. Increases in PGM prices have in the past, and could in the future, encourage increases in

mining exploration, development, and construction activities, which results in increased demand for and cost of contract exploration, development, and construction services and equipment.

South Africa is also experiencing an electricity crisis. The national grid does not have sufficient generation capacity to supply uninterrupted electricity for all users. The Company's competitors who have greater resources may be more equipped to deal with the electricity crisis through the procurement of diesel to supply mechanical generators or to invest in alternative sources of electricity such as solar farms.

Increased demand for, and cost of, services and equipment could cause project costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment. Any of these outcomes could materially increase project exploration, development, or construction costs, result in project delays, or both. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties or attract better or more qualified employees.

Any acquisition, partnership or joint venture that the Company makes or enters into could disrupt the Company's business and harm its results of operations and financial condition.

The Company evaluates, and expects in the future to evaluate, potential strategic acquisitions of, and partnerships or joint ventures with, complementary businesses, services or technologies. The Company may not, however, be able to identify appropriate acquisition, partnership or joint venture targets in the future, and the Company's efforts to identify such targets may result in a loss of time and financial resources. In addition, the Company may not be able to negotiate or finance such future acquisitions successfully, enter into partnerships or joint ventures successfully or on favorable terms, or to effectively integrate acquisitions into the Company's current business, and the Company may lose customers or personnel as a result of any such strategic transaction (in particular the customers and personnel of an acquired business). The process of integrating an acquired business, technology, service, or product into the Company's business may divert management's attention from the Company's core business. It may result in unforeseen operating difficulties and expenditures and generate unforeseen pressures and strains on the Company's organizational culture. Moreover, the Company may be unable to realize the expected benefits, synergies or developments that the Company initially anticipates from such a strategic transaction.

Financing an acquisition or other strategic transaction could result in dilution to existing shareholders from issuing equity securities or convertible debt securities, or a weaker balance sheet from using cash or incurring debt, and equity or debt financing may not be available to the Company on favorable terms, if at all. In addition, in regard to an acquisition, it is possible that the goodwill that has been attributed, or may be attributed, to the target may have to be written down if the valuation assumptions are required to be reassessed as a result of any deterioration in the underlying profitability, asset quality and other relevant matters. There can be no assurance that the Company will not have to write down the value attributed to goodwill in the future, which would adversely affect the Company's results of operations and net assets.

The integration of any acquired assets requires management capacity. There can be no assurance that the Company's current management team has sufficient capacity, or that it can acquire additional skills to supplement that capacity, to integrate any acquired or new assets and operations and to realize cost and operational efficiencies at the acquired assets or maintain those at the existing operations.

Furthermore, the Company may be unable to complete a proposed transaction if it is unable to obtain required regulatory approvals, including the applicable regulatory authorities in the various jurisdictions in which the Company or a potential acquisition target operates. Even if the Company is able to obtain regulatory approval, such approval could be subject to certain conditions, which could prevent the Company from competing for certain customers or in certain lines of business. In addition, the Company may face contingent liabilities in connection with its acquisitions and joint ventures, including, among others, (1) judicial or administrative proceeding or contingencies relating to the company, asset or business acquired, including civil, regulatory, tax, labour, social security, environmental and intellectual property proceedings or contingencies; and (2) financial, reputational and technical issues, including with respect to accounting practices, financial statement disclosures and internal controls, as well as other regulatory or compliance matters, all of which the Company may not have identified as part of its due diligence process and that may not be sufficiently indemnifiable under the relevant acquisition or joint venture agreement. The Company cannot guarantee that any acquisition, partnership or joint venture it makes will not have a material adverse effect on the Company's business, results of operations and financial condition.

The Company recognizes revenue on a provisional price basis which may result in significant revisions in later periods.

Revenue is recognized when the buyer, pursuant to a sales contract, obtains control of the product, which constitutes the performance obligation. The sales price and quantities are determined on a provisional basis at the date of delivery.

Adjustments to the sales price occurs based on movements in the metal market price, metal content quantities and exchange rate, which represent variable transaction price components, up to the date of final pricing and assays. Final pricing is based on the monthly average market price in the month of settlement. The period between provisional invoicing and final pricing is typically between three and five months.

Adjustments in respect of final assayed quantities and/or prices arising between the date of recognition and the date of settlement are recognized in the period in which the adjustment arises and reflected through revenue and receivables. These adjustments may be significant and not within the Company's control.

If any of the Company's operations do not perform in line with the Company's expectations, the Company may be required to write down the carrying value of its investment, which could affect the Company's profitability and the ability to pay dividends.

Under IFRS, the Company is required to test the carrying value of long-term assets or cash-generating units for impairment at least annually and more frequently if the Company has reason to believe that its expectations for the future cash flows generated by these assets may no longer be valid. If the results of operations and cash flows generated by the Company's PGM operations are not in line with the Company's expectations, for example, fluctuations in commodity prices, evaluations of our development plants, or new production data economics, the Company may be required to write down the carrying value of the investment and mineral rights. Any write-down could materially affect the Company's business, operating results, operations and financial condition.

The Company uses information, communication, and technology systems, which record personal data. Failure of these systems, or the failure to protect personal data, could significantly impact the Company's business and operations.

The Company uses and is reliant on various internal and external information, communication and technology system applications to support its business activities, mining applications, and other applications. Damage or interruption of the Company's information, communication and technology systems, whether due to accidents, human error, natural events, or malicious acts, may lead to important data being irretrievably lost, exposed or damaged, thereby adversely affecting the Company's business, operating results and financial condition. Such threats are persistent and evolve quickly, and the Company has in the past and may in the future experience such cybersecurity threats. The Company has taken measures to protect its data and to protect its computer systems from attack but these measures may not prevent unauthorized access to the Company's systems or theft of its data. Since the techniques used to obtain unauthorized access to or to sabotage information technology systems change frequently and are often not recognized until after they are launched against a target, the Company may be unable to anticipate these techniques or to implement adequate preventative measures.

The information security management system protecting the Company's information, communication and technology infrastructure and network may be subject to security breaches (e.g., cybercrime or activists) or other incidents that could result in misappropriation of funds, increased health and safety risks to people, disruption to the Company's operations, environmental damage, loss of intellectual property, disclosure of commercially or personally sensitive information, legal or regulatory breaches and liability, other costs and reputational damage. Given the increasing sophistication and evolving nature of this threat, the Company cannot rule out the possibility of them occurring in the future. An extended failure of critical system components, caused by accidental or malicious actions, including those resulting from a cybersecurity attack, could result in a significant environmental incident, commercial loss, interruption to operations, loss of access to critical data or systems, unfavorable publicity, damage to the Company's reputation, difficulty in marketing the Company's services, allegations that the Company has not performed its contractual obligations, indemnification obligations, regulatory investigations, fines or penalties, litigation or other claims by affected parties and possible financial obligations for liabilities and damages related to the theft or misuse of the Company's information and other business delays or disruptions, any of which could have an adverse effect on the Company's business, financial condition, results of operations and reputation. Further, the Company could be forced to expend significant financial and operational resources in response to a security breach, including repairing system damage, increasing security protection costs by deploying additional personnel and modifying or enhancing the Company's protection technologies, investigating and remediating any information security vulnerabilities and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of the Company's management and key personnel away from its business operations and adversely affect the Company's business, financial condition and results of operations. Further, and notwithstanding any contractual rights or remedies the Company may have, because the Company does not control its vendors, including their security measures and the processing of information by its vendors, the Company cannot ensure the integrity or security of measures they take to protect personal information and prevent data loss or other cyber incidents. The Company's cybersecurity insurance may not be sufficient to cover actual losses, or may not apply to the circumstances relating to any particular loss. The Company also cannot ensure that any limitations of liability provisions in its customer agreements, contracts with vendors and other contracts for a security lapse or breach or other security-related matter

would be enforceable or adequate or would otherwise protect the Company from any liabilities or damages with respect to any particular claim.

The Company receives, generates, stores and otherwise processes sensitive information, such as personal information. The Company faces a number of risks relative to protecting this critical information, including loss of access risk, inappropriate use or disclosure, inappropriate modification, and the risk of the Company being unable to adequately monitor, audit and modify the Company's controls over its critical information. This risk extends to the third-party vendors and subcontractors the Company uses to manage this sensitive data.

On July 1, 2020, the South African Protection of Personal Information Act 4 of 2013 (as amended from time to time) ("POPI") came into effect. Organizations were afforded a one-year grace period within which to align their activities with POPI, which came to an end on July 1, 2021. From this date, the responsible person (i.e., the Group) must ensure that it processes personal information in accordance with the principles contained in POPI. The 'processing' of personal information refers to the manner in which a data subject's personal information is collected, received, recorded, collated, stored, updated or modified, retrieved, altered, used, transmitted or distributed, merged, linked, degraded, erased or destructed in South Africa. In addition, POPI includes provisions relating to the processing of 'special personal information', which includes information concerning a data subject's religious or philosophical beliefs, race or ethnic origin, trade union membership, political persuasion, health or sex life and criminal behavior or biometric information. POPI also prohibits the transfer of personal information outside of South Africa unless such transfers are permitted in terms of the authorized exceptions.

Any person who believes that the Company has failed to comply with the Company's obligations under POPI may lodge a complaint with the administrative authority created under POPI that is responsible for administering and enforcing compliance with POPI (the "Information Regulator"), who is required to investigate the complaint. In conducting this investigation, the Information Regulator may summon and enforce the appearance of persons before the Information Regulator, compel the production of documents, access any premises, conduct interviews, and carry out any inquiries at the premises that the Information Regulator deems fit.

Upon completion of the investigation, the Information Regulator may refer the complaint to the enforcement committee established by the Information Regulatory (the "Enforcement Committee") for consideration, a finding in respect of the complaint, and a recommendation in respect of the proposed action to be taken by the Information Regulator in respect of the complaint. Based on the recommendations of the Enforcement Committee, the Information Regulator may issue the responsible party with an enforcement notice directing the responsible party to take specific measures or to stop processing personal information. The Information Regulator may also impose an administrative fine.

In addition to the above, a person is guilty of an offense if they:

- obstruct or hinder the Information Regulator from performing their duties and functions under POPI, including obstructing the execution of a warrant;
- fail to comply with an enforcement notice or summons;
- fail to give effect to the requirements relating to the processing of personal information; and
- recklessly and without consent obtain and disclose an account number of a data subject to another person.

Any person found guilty of such an offense may be liable for a fine and/or imprisonment.

A data subject may institute civil proceedings against any responsible party for breaching any provision of POPI, which also limits the defenses that may be raised by the responsible party. The court hearing the matter awards damages as compensation for loss suffered by the data subject as well as aggravated damages, interest, and costs.

The Company cannot guarantee that its POPI compliance efforts will be deemed appropriate or sufficient by regulatory authorities or the courts. Moreover, the Company may have difficulty adapting its systems and processes to the new legislation. The changes have impacted, and could further adversely impact, the Company's business by increasing the Company's operational and compliance costs. The Company's or its third-party vendors' failure to comply with applicable data protection laws and regulations could result in, and have resulted in, claims, disputes, proceedings, government enforcement actions (which could include civil or criminal penalties), loss in customers and suppliers, private litigation and/or adverse publicity, monetary penalties or other liabilities, and could increase the Company's costs of doing business, distract the Company's management, require the Company to change its operations and could negatively affect the Company's operating results and business. Claims that the Company has violated individuals' privacy rights, failed to comply with data protection laws, or breached its contractual obligations or privacy

policies, even if the Company is not found liable, could be expensive and time consuming to defend, could result in adverse publicity and could have a material adverse effect on the Company's business, financial condition and results of operations. The Company may also be contractually required to indemnify and hold harmless third parties from the costs or consequences of non-compliance with any laws, rules and regulations or other legal obligations relating to privacy or consumer protection or any inadvertent or unauthorized use or disclosure of data that the Company stores or handles as part of operating the Company's business.

The Company's business may be subject to high fixed costs in the future, which may impact the Company's profitability.

Historically, the Company's principal operating costs have been labour costs (including independent contractors), load and haul, drilling, blasting, rock breaking/crushing, electricity, reagents/grinding media and diesel and are incurred principally in South African rand. Of the Company's total operational costs for the year ended December 31, 2022, the Company categorizes 29% as fixed as these did not vary significantly with the Company's production rate. The Company categorizes overburden and waste removal, reef hauling and drilling and blasting expenses as variable, and these comprised 96%, 92% and 95% of the Company's total mining costs for the year ended December 31, 2022, 2021 and 2020. Of the Company's total plant operation costs for each of the years ended December 31, 2022, 2021 and 2020, the Company categorizes 60% in 2022, 61% in 2021 and in 2020 as variable. The Company expects that its fixed costs will increase with the development of its planned underground operations, as the Company's labour costs will shift from third party contractors to own labour. Higher fixed costs increase the risk that a relatively small change in productivity as a result of, for example, strikes or other work stoppages could have a disproportionate effect on operating and financial results. In addition, above-inflation increases in fixed costs such as labour or electricity costs, may cause parts of the Company's resources to become uneconomical to mine and lead to the closure of marginal sections of the Company's operations. This would impact planned production levels and declared reserves and could have a material adverse effect on the Company's business, operating results and financial condition.

Amendments to the South African loss carry forward rules could have an adverse effect on the Company's financial results.

The Company's principal operating subsidiaries are South African tax residents. The loss carry-forward rules are regulated by section 20 of the South African Income Tax Act No. 58 of 1962 (as amended from time to time) (the "South African Income Tax Act"). In determining taxable income as per enacted legislation, corporate taxpayers must set off their full extent of the balance of assessed loss carried forward from the preceding tax year against their income, with any unutilized assessed loss balance carried forward to future years of assessment to be set off against future income. As concerns the latter utilization of losses in subsequent years, loss limitation rules were recently introduced and which apply to years of assessment which end on or after March 31, 2023.

Pursuant to the noted amendment, companies are permitted to set-off the balance of an assessed loss carried from the prior year of assessment (i.e., the historic position), but only to the extent that the set-off does not exceed the higher of R1 million and 80% of the amount of taxable income determined for that year (before taking into account such balance of assessed loss). The unutilized balance of assessed loss will be carried forward to the following year of assessment.

This would result in delays in the timing of the utilization of the balance of assessed losses carried forward, which could have an adverse effect on the Company's financial results and cash flow position.

The Company may not be successful in obtaining, maintaining, enforcing, defending and protecting its intellectual property or other proprietary rights, including its unpatented proprietary knowledge and trade secrets, or in avoiding claims that the Company infringed, misappropriated or otherwise violated the intellectual property rights of others.

The Company's business and its ability to compete effectively depend on its ability to obtain, maintain, protect and enforce its intellectual property rights, confidential information and know-how. The Company relies on intellectual property laws, as well as the common law in South Africa and other countries, as well as confidentiality procedures, cybersecurity practices and contractual provisions and restrictions, to protect the intellectual property rights and other proprietary rights relating to the Company's products, proprietary processes and proprietary technology. Despite the Company's efforts to obtain, maintain, protect and enforce the Company's intellectual property rights and other proprietary rights, there can be no assurance that these protections will be available in all cases or will be adequate to prevent the Company's competitors or other third parties from copying, accessing or otherwise obtaining and using the Company's technology, intellectual property rights or other proprietary rights, products or processes without the Company's permission. Further, there can be no assurance that the Company's competitors will not independently develop products or processes that are substantially equivalent or superior to the Company's or design around the Company's intellectual property rights and other proprietary rights. In each case, the Company's ability to compete could be significantly impaired.

The Company may, over time, increase its investment in protecting its intellectual property rights through patent, trademark, copyright and other intellectual property filings, which could be expensive and time-consuming. The Company may not be able to obtain registered intellectual property protection for its products or processes and even if it is successful in obtaining effective patent, trademark, trade secret and copyright protection, it is expensive to maintain these rights in terms of application and maintenance costs, and the time and costs required to defend the Company's rights could be substantial. Moreover, the Company's failure to develop and properly manage new intellectual property rights could hurt the Company's market position and business opportunities.

In addition, these measures may not be sufficient to offer the Company meaningful protection or provide the Company with any competitive advantages. The Company will not be able to protect its intellectual property rights if it is unable to enforce its rights or if the Company does not detect unauthorized use of its intellectual property rights. Moreover, any changes in, or unexpected interpretations of, intellectual property laws may compromise the Company's ability to enforce its trade secret and intellectual property rights. If the Company is unable to adequately protect its intellectual property rights and other proprietary rights, the Company's competitive position and its business could be harmed, as third parties may be able to commercialize and use products and technologies that are substantially the same as the Company's to compete with the Company without incurring the development and licensing costs that the Company has incurred. Any of the Company's owned or licensed intellectual property rights could be challenged, invalidated, circumvented, infringed, misappropriated or violated, the Company's trade secrets and other confidential information could be disclosed in an unauthorized manner to third parties, or the Company's intellectual property rights may not be sufficient to permit the Company to take advantage of current market trends or to otherwise provide the Company with competitive advantages, which could result in costly redesign efforts, discontinuance of some of its offerings or other competitive harm.

The Company believes that it holds the appropriate rights to the relevant intellectual property to allow it to conduct its business without incurring liability to third parties. However, the Company or its products may nonetheless infringe, misappropriate or otherwise violate the intellectual property rights of third parties, or the Company may determine in the future that it may be required to enter into costly license agreements or require other rights to intellectual property held by third parties. Such a license or other rights may not be available to the Company on commercially competitive terms or at all, in which case the Company may be prevented from using, providing or manufacturing certain products, services or use brands as it sees fit. The Company may in the future become involved in lawsuits to protect or enforce its intellectual property rights. An adverse result in any litigation proceeding could harm the Company's business.

Tax regulations and challenges by tax authorities could have a material adverse effect on the Company and the Company may be subject to challenges by tax authorities.

The Company has a footprint in a number of countries, is subject to numerous tax regulations in various jurisdictions and is regularly examined in this regard. Changes in the Company's global mix of earnings could affect the Company's effective tax rate. Furthermore, changes in tax laws could result in higher tax-related expenses and payments. Legislative changes in any of the countries in which the Company's businesses operate could materially impact the Company's tax receivables and liabilities as well as deferred tax assets and deferred tax liabilities. Additionally, the uncertain tax environment in some regions in which the Company's businesses operate may limit the Company's ability to successfully challenge adverse determination by any local tax authorities. Some of the Company's businesses operate in countries with complex tax rules, which may be interpreted in a variety of ways and could affect the Company's effective tax rate. Future interpretations or developments of tax regimes or a higher than anticipated effective tax rate could have a material adverse effect on the Company's tax liability, return on investments and business operations.

In addition, the Company and its businesses operate in, are incorporated in and are tax residents of, various jurisdictions. The tax authorities in the various jurisdictions in which the Company and its businesses operate, or are incorporated, may disagree with and challenge the Company's assessments of its transactions, tax position, deductions, exemptions, where the Company or its subsidiaries or businesses are tax resident, application of tax treaties or the content of these, or other matters. If the Company or its businesses are unsuccessful in responding to any such challenge from a tax authority, the Company or its businesses may be required to pay additional taxes, interest, fines or penalties, the Company or its businesses may be subject to taxes for the same business in more than one jurisdiction or may also be subject to higher tax rates, withholding or other taxes. A successful challenge could potentially result in payments to the relevant tax authority of substantial amounts that could have a material adverse effect on the Company's financial condition and results of operations.

Even if the Company or its businesses are successful in responding to challenges by taxing authorities, responding to such challenges may be expensive, consume time and other resources, or divert management's time and focus from the Company's operations or businesses or from the operations of the Company's businesses. Therefore, a challenge as to the Company's or its businesses, tax position or status or transactions, even if unsuccessful, may have a material adverse effect on the Company's business, financial condition, results of operations or liquidity or the business, financial condition, results of operations or liquidity of the Company's businesses.

The Company's holding company structure makes it dependent on the operations of its subsidiaries.

The Company is a non-cellular company limited by shares incorporated and registered under the laws of the Island of Guernsey. The Company's material assets are its direct and indirect equity interests in its subsidiaries. The Company is, therefore, dependent on payments, dividends and distributions from its subsidiaries for funds to pay the Company's operating and other expenses and to pay future cash dividends or distributions, if any, to holders of the ordinary shares, and the Company may have tax costs in connection with any dividend or distribution. Furthermore, exchange rate fluctuation will affect the U.S. dollar value of any distributions the Company's subsidiaries make with respect to the Company's equity interests in those subsidiaries. See "— Risks related to South Africa — Because PGMs and gold are generally sold in U.S. dollars, while the majority of the Company's production and a substantial amount of the Company's PGM production costs are denominated in South African rand, the Company's operating results and financial condition will be materially affected if there is a material change in the value of the South African rand."

Risks related to legal, regulatory and compliance matters

The Company's operations are subject to the imposition of several regulatory constraints, which may have a material adverse effect on the Company's business, operations and profits.

In recent years, governments, communities, non-governmental organizations ("NGOs") and trade unions have sought and, in some cases, have implemented greater cost imposts on the mining industry, including through the levying of additional taxes and royalties. This resource nationalism, whether in the form of cost imposts, interference in project management, mandatory social investment requirements, local content requirements or creeping expropriation could impact the global mining industry and the Company's business, operating results and financial condition.

In December 2017, during the African National Congress (the "ANC") national conference, the ANC (the current ruling political party in South Africa) resolved that, as a matter of policy, the ANC should, in order to address historical wrongs of land dispossession, as well as ensuring fair access to land and empowering the majority of South Africans, pursue the expropriation of land (and any improvements) without compensation, provided that such expropriation is carried out without destabilizing the agricultural sector, endangering food security or undermining economic growth and job creation. On February 27, 2018, the lower house of the Parliament of South Africa (the "National Assembly") assigned the South African Constitutional Review Committee to review section 25 of the Constitution of South African, 1996 (the "South African Constitution") and other relevant clauses to make it possible for the state to expropriate land in the public interest without compensation. On July 25, 2019, the National Assembly adopted and passed a motion to re-establish a multi-party ad hoc committee, which will introduce legislation to amend section 25 of the South African Constitution allowing the state to expropriate land without compensation. The ad hoc committee adopted a revised Draft Constitution Eighteenth Amendment Bill on September 3, 2021. Once the amendment is introduced (via the revised Draft Constitution Eighteenth Amendment Bill), various procedural milestones will need to be met. The critical procedural milestones include the adoption of the bill by the National Assembly as well as six of the nine provinces of the South African National Council of Provinces, and the President assenting thereto.

If any land in respect of which the Company holds mining or prospecting rights is expropriated, this could have a material adverse effect on the Company's business, operating results and financial condition.

Notwithstanding the above, section 5(3) of the South African Mineral and Petroleum Resources Development Act No. 28 of 2002 (as amended from time to time) ("MPRDA") allows a prospecting, mineral or exploration right holder to 'enter' the land to which such right relates without the need to own the land. However, regulations 16(1)(b) and 39(2)(b) of the Environmental Impact Assessment Regulations contained in GNR.982-985 of December 4, 2014 (as amended from time to time) (the "EIA Regulations, 2014"), which regulate the public participation process in respect of applications for environmental authorizations for an applicant for a mineral right under the MPRDA, were recently amended (GN 517 of June 11, 2021) to require an applicant of an environmental authorization relating to a mineral right to submit the written consent of the landowner, if the applicant is not the owner or person in control of the land on which the activity is to be undertaken. The EIA Regulations, 2014 constitute delegated legislation and therefore must fall within the ambit of the empowering legislation. The recent amendments are arguably ultra vires since neither the South African National Environmental Management Act No. 107 of 1998 (as amended from time to time) ("NEMA") or the MPRDA require landowner consent in respect of mining or prospecting activities. A right granted in terms of the MPRDA is deemed to be a limited real right but the exercise of this right remains "subject to…any relevant law" in terms of section 23(6) of the MPRDA, which law may include the law relating to land use planning in any particular municipal jurisdiction. The law relating to land use in a particular municipal jurisdiction may prescribe the need for land use consent and the ability to obtain this consent is often dependent on obtaining the land owner's consent.

In South Africa, the ANC has adopted two recommended approaches to interacting with the mining industry. The first approach looks at, among other things, greater state intervention in the mining industry, including the revision of existing royalties, the imposition of new taxes and an increase in the South African government's holdings in mining companies. The second approach looks at the South African government taking a more active role in the mining

industry, including through the introduction of a state mining company to be involved in new projects either through partnerships or individually.

The ANC has proposed policies which, if adopted, may impose additional restrictions, obligations, operational costs, taxes or royalty payments on mining companies, including the Group, any of which could have a material adverse effect on the Company's business, operating results and financial condition.

In 2013, the South African Minister of Finance (the "Minister of Finance") appointed the Davis Tax Committee to look into and review *inter alia* the current mining tax regime. The committee's first interim report on mining, which was released for public comment on August 13, 2015, proposed no changes to the royalty regime but recommended the discontinuation of the upfront capital expenditure write-off regime in favor of an accelerated capital expenditure depreciation regime. On November 13, 2017, following a period of public comment, the Davis Tax Committee published its final report which largely reaffirmed its initial recommendations. The South African National Treasury will continue to consider the Davis Tax Committee's final recommendations. It is not clear at this stage which, if any, of the recommendations will be adopted as legislation. Changes made to tax legislation will impact, either directly or indirectly, on the Company's cost structure.

Any of the above could have a material adverse effect on the Company's business, operating results and financial condition.

The Company's mining and prospecting rights are subject to legislation, which could impose significant costs and burdens.

Mining or prospecting right holders are required to comply with the provisions of the MPRDA, and the terms and conditions on which the right was granted. Prospecting right holders are required to conduct prospecting operations in line with what is contemplated in their approved prospecting work program. For further information on the legislative requirements in relation to mining and prospecting rights under the MPRDA, see "— The Company's mineral rights in South Africa could be altered, suspended, or canceled for a variety of reasons, including uncertainties associated with national and local legislation." Mining right holders are required to conduct mining operations in line with what is contemplated in their approved mining work program and environmental authorization and/or environmental management program. Furthermore, mining right holders are required to implement the program set out in their approved social and labour plans ("SLPs"), which is geared towards the socioeconomic development of host mine communities, creating employment and increasing training of employees. For further information on the Company's SLPs, see "— Risks related to environmental, social and governance matters — Mining companies are increasingly required to operate in a sustainable manner and to provide benefits to affected communities. Failure to comply with these requirements could result in the Company's reputation in the communities in which it operates deteriorating." Prospecting fees are payable in accordance with the MPRDA. Royalties are payable on the transfer of a mineral resource in terms of the South African Mineral and Petroleum Resources Royalty Act No. 28 of 2008 (as amended from time to time) (the "Royalty Act"). In terms of the Royalty Act, refined minerals attract a maximum royalty of 5% of the gross sales of the extractor (with a minimum of 0.5%), and unrefined minerals attract a maximum royalty of 7% of the gross sales of the extractor (with a minimum of 0.5%). There is the possibility that the Minister of Finance could change the mineral royalty percentage. This possibility creates uncertainty and may impede accurate business and financial planning, which could have a material adverse effect on the Company's results of operations, financial condition and/or prospects.

The Company's mineral rights in South Africa could be altered, suspended, or canceled for a variety of reasons, including non-compliance with national legislation.

Various national and local laws govern the Company's mineral rights, policies and regulations in South Africa, which are characterized by significant uncertainties associated with both their formulation as well as implementation. Should the Company breach any of its obligations in respect of its mining rights, such rights could be altered, suspended, or canceled. Furthermore, if the Company is found not to be in compliance with certain of the other requirements stipulated in the South African Mine Health and Safety Act No. 29 of 1996 (as amended from time to time) (the "MHSA"), MPRDA or applicable environmental laws this may have a material adverse effect on the Company's business, results of operations, financial position and/or growth prospects.

The Company's prospecting and mining rights may be adversely affected by the DMRE granting competing rights.

A mining and/or prospecting right entitles the holder thereof to the exclusive right to mine and/or prospect (as the case may be) for prescribed minerals over a prescribed area of land. It is possible that third parties are granted mining and/or prospecting rights in respect of associated minerals on areas covered by the Company's prospecting/mining rights.

In addition, the Company's prospecting and mining rights may be adversely affected by the DMRE granting competing rights to third parties over areas covered by the Company's rights. Under South African law it is possible for mining/prospecting rights in respect of the same area of land to be granted in respect of different minerals. The MPRDA does not contain any provisions regulating the mining of different minerals occurring in association, or which must of necessity be mined, together with other minerals (commonly referred to as 'associated minerals'). The Company does not, in all cases, hold the rights in respect of all associated minerals occurring in the PGM ore body and, as such, third parties may be granted mining and/or prospecting rights in respect of such associated minerals on the areas covered by the Company's prospecting and/or mining rights. In order for third parties to be granted such rights, a consultation process must be followed. During this process, the Company would have the right to object to the application, but there can be no assurance that such an objection would be successful. Subsequent to the granting of the competing rights, there is also an opportunity for the Company to submit an internal administrative appeal in terms of section 96 of the MPRDA, as read with regulation 74 of the regulations published (under General Notice R527 in Government Gazette 26275 of April 23, 2004) in terms of section 107 of the MPRDA (as amended from time to time) (the "MPRDA Regulations"). To the extent that such rights are granted, the Company's operations may be adversely affected to the extent that the Company is required to accommodate the third party's prospecting/mining operations. Holders of rights to associated minerals may obstruct the Company's mining activities or claims in respect of associated minerals mined by the Company. In addition, South Africa does not have a reliable cadastre system. As a result, the DMRE often erroneously grants rights in respect of land and minerals for which a pre-existing right already exists. In the event that the DMRE had to grant conflicting rights in this manner over the land and minerals for which the Company has already been granted rights, then the Company will have to follow internal appeal procedures, High Court interdict (or injunction) proceedings, and ultimately High Court review proceedings in order to have the conflicting grant set aside. In this regard, the Company may be subjected to costly and protracted legal proceedings.

In this regard, although the Company has the right to mine PGMs on the Remaining Extent of portions 1, 2, 3, 4, 6, 9, 13, 15 of the farm Ruighoek, various other competing rights have been granted or are under consideration by the DMRE. In respect of the remaining extent of the farm Rietfontein, the Company holds a right to prospect for all minerals (excluding chrome) and tailings whilst Rustenburg Chrome Mining Proprietary Limited ("RCM") holds a mining right for chrome. However, this mining right was unlawfully amended during the course of 2015 to include minerals in respect of which the Company holds a prospecting right. This amendment only came to the Company's attention during May 2021. The Company has now lodged an internal appeal against the decision to include minerals in the mining right of RCM in conflict with the Company's existing prospecting right. Moreover, the chromite rights over the Mphahlele Project area were granted to the Mphahlele Community Development Trust ("MCDT"). Accordingly, any chromite that is mined incidentally by the Mphahlele Project from the UG2 ores or that ends up in the tailings therefore belongs to the MCDT.

The Company is subject to legislation, regulations and policies and compliance with current and future administrative, regulatory and other obligations could result in increased costs.

The Company's operations and exploration and development activities are subject to laws and regulations governing various matters. These include laws and regulations relating to environmental protection, including the management of natural resources, management and use of hazardous substances and explosives, exploration, development of mines, production and post-closure reclamation and rehabilitation, exports, price controls, repatriation of capital and exchange controls, taxation, mining royalties, labour standards and occupational health and safety, including mine safety and historic and cultural preservation.

The costs associated with compliance with these laws and regulations are substantial, and possible future laws and regulations, changes to existing laws and regulations could cause additional expense, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its mining assets. Moreover, certain laws and regulations may allow governmental authorities and private parties who have a substantial and direct interest in the mining operations or the consequences of the mining operations to bring lawsuits based upon damages to property, the environment, and injury to persons (for example, resulting from the environmental and health and safety impacts of the Company's past and current operations), and could lead to the imposition of substantial damages awards, fines, penalties or other civil or criminal sanctions.

Environmental laws and regulations change frequently (due to general amendments or amendments brought about as a result of case law) and are generally becoming more stringent across the global mining industry. If the Company's environmental compliance obligations were to change as a result of changes to the legislation or in certain assumptions the Company makes to estimate liabilities, or if unanticipated conditions were to arise in connection with the Company's operations, the Company's expenses and provisions would increase to reflect these changes. If material, these expenses and provisions could adversely affect the Company's business, operating results and financial condition.

Uncertainty and future disputes regarding authority within the Bakgatla may materially adversely affect the Company's operations and delay execution and implementation of the Company's strategy and result in other adverse consequences for the Company.

The Bakgatla Ba Kgafela Tribe, a universitas personarum, being a traditional community and tribe established according to indigenous custom in South Africa, with full contractual capacity (the "Bakgatla") are a significant Broad-Based Black Economic Empowerment ("B-BBEE") shareholder of the Company. The Company's dealings with the Bakgatla have been with the Traditional Council or its appointed representatives. A traditional council means a traditional council that has been established and recognised for a traditional community in accordance with the provisions of section 3 of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003) or any corresponding provision in provincial legislation.

In the past the Company has acquired certain mining rights, whether directly or indirectly, from the Bakgatla or its affiliates (including pursuant to transactions whereby the Bakgatla became a major shareholder in the Company).

Following traditional leadership disputes and allegations regarding the financial affairs of the Bakgatla, the Premier of the North West province of South Africa ("Premier" and the "NW Province") established a commission of inquiry in July 2016 ("Baloyi Commission") with a mandate to investigate, *inter alia*, the role of senior traditional leaders of the Bakgatla and the flow of financial benefits in transactions conducted with third parties on behalf of the Bakgatla. This included commercial transactions conducted by the Bakgatla with third parties when Mr. Molefe John Pilane was the Kgosi (tribal leader), and alleged improper diversion of funds. The Baloyi Commission report, which is publicly available, was published in August 2019 and contains a series of findings and recommendations concerning, *inter alia*, governance, leadership, commercial and financial dealings, accountability, transparency and financial reporting. The Baloyi Commission recommended, among others, that an administrator be appointed to conduct the affairs of the Bakgatla temporarily ("Administrator") and that there be further investigation into various aspects of the general affairs of the Bakgatla.

Following the findings of the Baloyi Commission, on December 20, 2019, Mr. Phineas Tjie was appointed as the Administrator of the Bakgatla. On July 7, 2020, the recognition of Mr. Molefe John Pilane, who is a former member of the Company's board of directors, as Kgosi (tribal leader) of the Bakgatla was withdrawn, and Mr. Rangwane Ramono Pilane Linchwe was recognized as the Kgosi. Mr. Phineas Tjie's appointment, as Administrator, was extended until March 31, 2023. It is not clear from publicly available records as to whether the Premier has extended, or is in the process of further extending, Mr. Phineas Tjie's appointment as Administrator beyond March 31 , 2023, or whether a new Administrator has been, or will be, appointed in replacement of Mr. Phineas Tjie. Uncertainty and future disputes regarding authority within the Bakgatla may materially adversely affect the Company's operations and delay execution and implementation of the Company's strategy.

The Company's operations and profits have been and may be adversely affected by labour unrest and union activity and compliance with labour legislation.

As of December 31, 2022, the Company had approximately 2,381 employees, of whom 700 were permanent employees and the remainder were mining and other contractors. Most of the Company's workforce is unionized. Organized labour dynamics in the mining sector, particularly in South Africa, are volatile and uncertain and, as such, they have had, and may in the future have, a material adverse impact on the Company's operations, production and financial performance. The Company signed a new 3-year wage agreement with its principal union, the National Union of Mineworkers, on January 31, 2023 which will be in force until June 30, 2025.

Although management believes that the Company presently has good relations with its employees, there can be no guarantees that future wage negotiations and current operations will not be accompanied by strikes, work stoppages or other disruptions. A major disagreement or prolonged wage or compensation negotiations between management and employees may result in unauthorized absences, work stoppages, equipment sabotage, and/or picketing at the Company's facilities and mining operations. Activist unions and rivalries between unions may destabilize labour relations in the Company's facilities and mining operations, and lead to unplanned labour action. Significant labour disputes and work stoppages may disrupt the Company's operations. The Company may be forced to shut down mining operations as a result of industrial action in the future. If the Company experiences labour-related interruptions at any of its operations, or increased employment-related costs, these may have a material adverse effect on the Company's business, results of operations, financial condition, and/or prospects.

On November 27, 2018, the President of South Africa signed into law the South African National Minimum Wage Act No. 9 of 2018 (as amended from time to time) (the "NMWA"), the South African Labour Laws Amendment Act No. 10 of 2018 (as amended from time to time) (the "Labour Laws Amendment Act"), the Basic Conditions of Employment Amendment Act No. 7 of 2018 (as amended from time to time) (the "BCEA Amendment Act"), all of which became effective on January 1, 2019, save for the Labour Relations Amendment Act 8 of 2018, which became effective on January 1, 2019.

The NMWA introduced a national minimum wage of R20 per hour, while the BCEA Amendment Act introduces enforcement mechanisms for the provisions of the NMWA. With effect from March 1, 2023, the national minimum wage is R25.42 per hour. The Labour Relations Amendment Act amended the Labour Relations Act, instituting changes

mainly related to collective bargaining, the extension of bargaining council agreements to non-parties by the South African Minister of Employment and Labour, the prescribing of picketing rules, including providing for the extension of the meaning of ballot for a strike or lock-out to include a secret vote and the creation of an advisory arbitration panel to resolve strikes or lock-outs that are, among other things, violent or cause national or local crisis affecting the conditions for the normal social and economic functioning of the community or society. The Labour Laws Amendment Act also amended the Unemployment Insurance Act No. 63 of 2001 (as amended from time to time) (the "Unemployment Insurance Act") to allow employees to claim benefits in the event of parental adoption and surrogacy leave. Furthermore, the South African Employment Equity Act No. 55 of 1998 (as amended from time to time) (the "EEA") creates obligations and administrative requirements in respect of non-discrimination and equity in employment matters. Fines of up to R2.7 million or 10% of turnover related to the Company's operations, whichever is greater, may be imposed in the event of repeated non-compliance with certain provisions of the EEA.

Non-compliance with any of the above could have a material adverse effect on the Company's business, operating results and financial condition.

The Company is subject to risks associated with litigation and regulatory proceedings, which could have a material adverse effect on the Company's business, operating results and financial condition.

The Company may be involved, from time to time, as a party in various lawsuits, arbitrations, regulatory proceedings or other disputes.

Increasing attention on climate change issues may also lead to an increase in complaints and litigation on grounds of contribution to, or failure to mitigate the effects of, climate change. For instance, the High Court of South Africa, Gauteng Provincial Division, Pretoria recently considered, in the case of EarthLife Africa, Johannesburg v Minister of Environmental Affairs and Others, the impact of a coal-fired power plant on global climate and its contribution to climate change should it continue to be operated until 2060. This was the first case of this nature to be adjudicated by South African courts and paves the way for additional litigation relating to the impacts of various actions on climate change. Following this case, the Minister of the South African Department of Forestry, Fisheries and the Environment ("DFFE") published a notice inviting consultation on her intention to publish the National Guideline for Consideration of Climate Change Implications in Applications for Environmental Authorisations, Atmospheric Emission Licences and Waste Management Licences (GN. 559 of June 25, 2021). Although these guidelines will not apply retrospectively to the Company's current authorizations, once published, the guidelines will be considered in any prospective applications made by the Company for the applicable licenses, as mining operations often emit greenhouse gas emissions. Consequently, to avoid the risks associated with climate change litigation, the Company would be required to manage its climate change impacts responsibly, which may result in considerable expenses being incurred.

Additionally, there is an increase in the number of class action claims in respect of damages allegedly caused by contraventions of regulatory obligations, including in historical occupational health risks such as silicosis, pneumoconiosis or tuberculosis.

There has also been more community-based litigation against mining companies, including the Company. For example, in 2018, the Constitutional Court of South Africa in the case of Maledu and Others v Itereleng Bakgatla Mineral Resources (Pty) Limited and Another recognized the direct descendants of the 13 original occupiers of the Wilgespruit farm as holders of informal land rights and refused an interdict by the Company's subsidiary, Itereleng Bakgatla Mineral Resources (Proprietary) Limited ("IBMR"), against such occupiers. Following the aforementioned judgement, IBMR and PPM entered into a settlement agreement and relocation agreements with direct descendants of the 13 original occupiers of the Wilgespruit farm who constitute a community as contemplated in section 1 of the Interim Protection of Informal Land Rights Act 31 of 1996 (the "Lesetlheng Community") for loss of use of the Wilgespruit farm, in exchange for which the Lesetlheng Community agreed to provide PPM and IBMR unhindered access to the Wilgespruit farm.

Litigation, arbitration, regulatory proceedings and other types of disputes involve inherent uncertainties and, as a result, the Company faces risks associated with adverse judgments or outcomes in these matters. Even in cases where the Company may ultimately prevail on the merits of any such dispute, the Company may face significant costs defending its rights, lose certain rights or benefits during the pendency of any such litigation, arbitration, regulatory proceeding or other dispute, or suffer reputational damage as a result of the Company's involvement therein. There can be no assurance as to the outcome of any litigation, arbitration, regulatory proceeding or other dispute, and the adverse determination of material litigation could have a material adverse effect on the Company's business, operating results and financial condition. See also "— Risks related to environmental, social and governance matters — The Company's operations are subject to environmental, health and safety regulations, which could impose additional costs and compliance requirements, and the Company may face claims and liability for breaches, or alleged breaches, of such regulations and other applicable laws."

The Company's failure to comply with applicable anti-corruption, anti-bribery, anti-money laundering and similar laws and regulations could negatively impact the Company's reputation and results of operations.

The legal and regulatory framework in which the Company operates is complex, and the Company's governance and compliance policies and processes may not prevent potential breaches of law or accounting or other governance practices. The Company's operating and ethical codes, among other standards and guidance, may not prevent instances of fraudulent behavior and dishonesty, nor guarantee compliance with legal and regulatory requirements.

The Company is required to comply with anti-corruption laws and regulations imposed by governments around the world with jurisdiction over its operations, which may include South African anti-bribery and corruption legislation, the Prevention of Corruption (Bailiwick of Guernsey) Law, 2003 (as amended) and the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999, as well as the laws of the other countries (e.g., the U.S. Foreign Corrupt Practices Act and the UK's Bribery Act 2010) where the Company does business or has a close connection. These laws and regulations may restrict the Company's operations, trade practices, investment decisions and partnering activities. These and other applicable laws prohibit the Company and its officers, directors, employees and business partners acting on the Company's behalf, including agents, from corruptly offering, promising, authorizing or providing anything of value to "foreign officials" for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The Company is subject to the jurisdiction of various governments and regulatory agencies around the world, which may bring the Company's personnel and representatives into contact with "foreign officials" responsible for issuing or renewing permits, licenses or approvals or for enforcing other governmental regulations.

The Company's failure to successfully comply with these laws and regulations may expose the Company to reputational harm, as well as significant sanctions, including criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions and debarment from government contracts, as well as other remedial measures. Investigations of alleged violations can be expensive and disruptive. The Company continuously develops and maintains policies and procedures designed to comply with applicable anti-corruption, anti-bribery, anti-money laundering and similar. However, there can be no guarantee that the Company's policies and procedures will effectively prevent violations by its employees or business partners acting on its behalf, for which the Company may be held responsible, and any such violation could adversely affect the Company's reputation, business, results of operations, and financial condition.

Risks related to environmental, social and governance matters

Mining companies are increasingly required to operate in a sustainable manner and to provide benefits to affected communities. Failure to comply with these requirements could result in the Company's reputation in the communities in which the Company operates deteriorating.

The continued success of the Company's existing operations and future projects are in part dependent on the broad support of, and healthy relationships within, the respective local communities and as such, there is a social permission that is required by these disadvantaged communities that is crucial to the successful operation of the mining activities, in addition to conducting operations in a manner that is not detrimental to the environment. If it is perceived that the Company does not continue in respecting or advancing the safety, and economic and social progress, of the host communities in which the Company operates, or if the Company fails to effectively continue to engage with communities and relevant stakeholders, the Company's reputation and shareholder value could be damaged. This could have a negative impact on the Company's "social license to operate," and have a material adverse effect on the Company's business, results of operations, financial position and/or growth prospects. Host communities often reside near mining operations in South Africa. There are several farmers and other occupiers on areas covered by the Company's prospecting/mining rights. The ability of mining companies to commence new, or advance existing, operations are dependent on agreeing the terms of relocation for affected community members. Failure to agree such terms could adversely impact the Company's social license to operate and may result in protracted delays in operations as well as the potential suspension and/or cancellation of the affected mining right(s). For example, in 2018, the Constitutional Court of South Africa in the case of *Maledu and Others v Itereleng Bakgatla Mineral Resources (Pty) Limited and Another* recognized the direct descendants of the 13 original occupiers of the Wilgespruit farm as holders of informal land rights and refused an interdict by the Company's subsidiary, IBMR, against such occupiers. Following the aforementioned judgement, IBMR and PPM entered into a settlement agreement and relocation agreements with the Lesetlheng Community for loss of use of the Wilgespruit farm, in exchange for which the Lesetlheng Community agreed to provide PPM and IMBR unhindered access to the Wilgespruit farm. The operation of mining companies must not only gain the ongoing support of the historically disadvantaged communities present in the requisite mining areas but must also make provision for local economic development. Responsive measures may require the Company to take costly and time consuming remedial measures, including the full restoration of livelihoods of those impacted, and remediation of the environment.

In order to maintain its social license to operate, the Company may need to design or redesign parts of its mining operations to minimize their impact on such communities and the environment, either by changing mining plans to avoid such impact, by modifying operations, by changing planned capital expenditures or by relocating the affected people to an agreed location. Anti-mining sentiments may be exacerbated by high unemployment and violent crime rates, forced resettlement of residents, environmental incidents and blasting.

In addition, the global adoption of environmental and social governance principles now driving sustainable finance and impact investment will have a potentially adverse impact on the ability of mining companies not only to raise new capital but also to retain investment. Mining companies in South Africa are under pressure to demonstrate that, while they seek a satisfactory return on investment for shareholders, the environment, human rights and other key sustainability issues are responsibly managed and stakeholders, such as employees and host communities, also benefit from their commercial activities. The potential consequences of these pressures and the adverse publicity in cases where companies are believed not to be creating sufficient social and economic benefit or are perceived to not be responsibly managing other sustainability issues, may result in additional operating costs, higher capital expenditures, reputational damage, active community opposition (possibly resulting in delays, disruptions and stoppages), allegations of human rights abuses, legal suits, regulatory intervention and investor withdrawal.

It has become common in South Africa for communities surrounding mines to look to the mines to better the standards of living in the area. It is also common for such communities to engage in protest action in response to particular issues or concerns associated with the operation of the mine, which may affect access to the mines, production, create strained relationships with communities and various stakeholders, and may negatively impact the safety of communities and employees. The consequences of negative community reactions could therefore have a material adverse impact on the cost, profitability and ultimately the viability of an operation. Such events could lead to disputes with national or local governments or with local communities or any other stakeholders and give rise to material reputational damage. If the Company's operations are delayed or shut down as a result of political and community instability, the Company's earnings may be impacted and the long-term value of the Company's business could be adversely affected. Even in cases where no action adverse to the Company is taken, the uncertainty associated with such political or community instability could negatively impact the perceived value of the Company's assets and mining investments and, consequently, have a material adverse effect on the Company's financial condition. The MPRDA stipulates that every mining right holder is required to prepare and implement an SLP, the purpose of which is to promote employment, advance social and economic welfare, contribute to transforming the mining industry, and ensure that mining companies contribute to the development of the areas where, and the communities in which, they operate. In terms of regulation 46(e) of the MPRDA Regulations, mining companies are required to provide financially for local economic development programs (which, in terms of clause 2.6.2 of the Codes of Good Practice for the Minerals Industry published (under General Notice 446 in Government Gazette 32167 of April 29, 2009) in terms of section 100(1)(b) of the MPRDA (as amended from time to time), should be at least 1% of net profit after tax), human resource development programs (which, according to clause 2.3 of the 2018 Mining Charter (as defined below), should amount to at least 5% of a mining company's wage bill.

The mining charter published in the South African Government Gazette on September 27, 2018 (the "2018 Mining Charter") (as was the case with the previous versions) requires mining companies to provide financially to ensure decent and affordable housing is provided to employees, alternatively by providing rental subsidies, home ownership subsidies or living out allowances. Failure to comply with any of the Company's obligations as set out in an SLP could adversely impact the Company's social license to operate and may result in the suspension and/or cancellation of the affected mining right(s).

The Company is subject to global resource nationalism trends which encompass a range of measures, such as seeking the greater participation of historically disadvantaged or indigenous people, expropriation or taxation, whereby governments seek to increase the economic benefits derived by their countries from their natural resources.

The Company is subject to the potential impact of resource nationalism trends. These measures include a government holding a stake directly in companies holding mineral projects, increased taxation of mineral projects and requiring companies to meet domestic beneficiation requirements, such as local processing rules, export taxes or restrictions, or charges on unprocessed ores and expropriation. In addition, the South African government has also been seeking the greater participation of historically disadvantaged South African persons or category of persons or community disadvantaged by unfair discrimination before the South African Constitution came into operation, as that term is defined in the Mining Charter, who are the beneficiaries of B-BBEE ("HDSAs") in the mining sector.

Resource nationalism will continue to gain traction and the risks associated thereof have been predicted to be greatly amplified throughout Sub-Saharan Africa over the years of 2023 to 2025. This is due to increasing mining profits, stretched government financings and an increase in battery mineral investment.

The Company cannot predict the outcome or timing of any amendments or modifications to policy or applicable regulations or the interpretation thereof, the implementation of new policies or regulations and the impact these may

have on the Company's business. As a result, political, legal, social and economic conditions in South Africa can have a significant effect on the Company's business, financial condition and results of operations.

The Company's mineral rights are subject to compliance with certain B-BBEE requirements which, if changed, could impose significant costs and burdens and which impose certain ownership requirements.

The Company's operations in South Africa are subject to legislation regulating mineral rights. The MPRDA is the core legislation that legislates for the right to prospect and mine for minerals in South Africa. The MPRDA also seeks the entry and participation, into the mining industry of South Africa, of HDSAs, the beneficiaries of B-BBEE.

The MPRDA requires mining companies to apply for the right to mine and/or prospect. In order to qualify for these rights, applicants need to satisfy the South African government that they will comply with the B-BBEE requirements of the MPRDA and the 2018 Mining Charter. The B-BBEE requirements are aimed at redressing historical racial imbalances and including historically disadvantaged South Africans in the ownership and management of mining companies. The B-BBEE requirements are also aimed at addressing human resources development, procurement, employment equity and rural and local community development requirements. Additionally, as a condition of the Company's mining rights in South Africa, the Company must ensure sufficient HDSA participation in the Company's management and core and critical skills. Failure to do so could result in fines or the loss or suspension of the Company's mining rights. Legislation also requires the Company to take proactive steps to achieve an equitable representation of HDSAs at all occupational levels and to report on the extent to which its plan is being achieved.

Several of the B-BBEE requirements associated with the participation of HDSAs in mining companies are subject to possible amendment and review by the South African government, as well as disputes in relation to the interpretation of such requirements. If the Company, as the holder of mining rights, does not comply with the requirements of the MPRDA or the material terms and conditions of such mining rights, including the relevant B-BBEE requirements, the Company's mining rights may be terminated or suspended. In addition, the Company may, in the future, be required to incur significant costs to implement changes to the Company's management and shareholding structure in order to comply with any amended requirements as a result of changes in law and any B-BBEE requirements, and the interpretation of such new laws and requirements. This may have a material adverse effect on the Company's business, results of operations, financial position and/or growth prospects.

There is no assurance that any steps the Company has already taken or might take in the future will ensure the retention of the Company's existing mining rights, the successful renewal of the Company's existing mining rights, the granting of applications for new mining rights, or that the terms of renewals of the Company's mining rights would not be significantly less favorable than the terms of the Company's current mining rights. Any further adjustment to the ownership structure of the Company's South African mining assets in order to meet B-BBEE requirements could have a material adverse effect on the value of the Company's securities.

Any adjustment to the ownership structure of the Company's mining assets in order to meet B-BBEE requirements could have a material adverse effect on the value of the Company's securities. Further, the Company may, in the future, incur significant costs or have to issue additional shares as a result of changes in the interpretation of existing laws and guidelines or the imposition of new laws relating to HDSA ownership requirements. This may have a material adverse effect on the Company's business, operating results and financial condition. For further details, see the section entitled "Regulatory Overview" herein.

For further information in relation to changes in law, see "— Risks related to legal, regulatory and compliance matters — The Company's mineral rights in South Africa could be altered, suspended or cancelled for a variety of reasons, including uncertainties associated with national and local legislation."

The dilution of the Company's current B-BBEE partner could have an adverse effect on the Company's mineral rights.

An application for a judicial review of the 2018 Mining Charter instituted by the Minerals Council South Africa (the "Minerals Council") against the South African Minister of Mineral Resources and Energy (the "Minister of Mineral Resources and Energy") in the High Court of South Africa, Gauteng Provincial Division, Pretoria, was commenced in early May 2020. On September 21, 2021, the High Court ruled in favor of the Minerals Council in its application to review and set aside certain provisions of the 2018 Mining Charter, including provisions in the 2018 Mining Charter suggesting that new and further B-BBEE ownership transactions will need to be concluded at the point of renewal of a mining right. However, it is likely that the Minister of Mineral Resources and Energy will appeal against the ruling (as he has done in respect of previous review applications brought against previous iterations of the Mining Charter). Consequently, there remains a risk that the DMRE may regard a dilution of the Company's current B-BBEE partner at any time after the publication of the 2018 Mining Charter potentially as a breach of the 2018 Mining Charter. In terms of clause 9 of the 2018 Mining Charter, a mining right holder who has not complied with the requirements of the 2018 Mining Charter, including the B-BBEE ownership requirements, shall be in breach of the MPRDA and subject to the

potential suspension of its mining operations or the suspension or termination of its mining right. The High Court held that the Mining Charter is a policy document, as opposed to law and it reviewed and set aside those provisions of the 2018 Mining Charter that undermined the "Once Empowered, Always Empowered" principle.

There is a risk that the DMRE will continue to apply the 2018 Mining Charter rigidly, in spite of it having been declared a mere policy, in respect of new applications for mineral rights and in respect of applications for the incorporation of mining or prospecting areas into existing mineral rights pursuant to section 102 of the MPRDA, lodged prior to, and remaining pending, as at the publication of the 2018 Mining Charter. In this context, the Company is in the process of making an application to the DMRE, in terms of section 102 of the MPRDA, to incorporate an area situated on the Kruidfontein farm, remainder and portions 1 and 2 of the Middelkuil farm and remainder and portions 1 and 2 of the Modderkuil farm, which area is seen as a future expansion to the Company's contiguous mining area. There is consequently a risk that the section 102 applications will not be granted on the basis that the Company is not sufficiently empowered in accordance with the 2018 Mining Charter.

The Company's operations are subject to environmental, health and safety regulations, which could impose additional costs and compliance requirements, and the Company may face claims and liability for breaches, or alleged breaches, of such regulations and other applicable laws.

The Company's operations are subject to compliance with various environmental, health and safety laws, regulations, permitting requirements and standards in South Africa.

Section 24 of the South African Constitution grants citizens of South Africa the right to an environment that is not harmful to human health or wellbeing, and to the protection of that environment for the benefit of present and future generations through reasonable legislation and other measures. Under this constitutional provision, the government may take legislative actions to prevent pollution and environmental degradation, promote conservation, secure ecologically sustainable development, and promote justifiable economic and social development through the use of natural resources.

Section 24R of NEMA provides that every holder of a mining right will remain responsible for any environmental liability, pollution or ecological degradation, the pumping and treatment of polluted or extraneous water and the management and sustainable closure thereof, notwithstanding the issuing of a closure certificate. Further, the Company is required to fund environmental rehabilitation and remediation costs either by making a deposit administrated by the Minister of Mineral Resources and Energy, contributions into South African environmental trust funds or by securing a financial guarantee from a bank, insurer or underwriter see — "The Company's actual costs of reclamation and mine closure may exceed current estimates, which may, along with the inability to safely close redundant operations, adversely affect the Company's business." The Company has incurred, and may in the future incur, significant costs to comply with environmental, health and safety requirements imposed under existing or new legislation, regulations or permit requirements, or to comply with changes in existing laws and regulations or the manner in which they are applied. These costs could have a material adverse effect on the Company's business, results of operations and financial condition.

Our assets and future projects are located in areas of significant biodiversity value and diverse ecosystems. While there are biodiversity action plans in place, failure to properly manage these risks could lead to an impact on the species and the environment. We may be exposed to challenges related to proper biodiversity management, which could delay and/or increase the cost of our exploration and development projects. Changes in laws, international norms, investor expectations and other stakeholder perceptions could result in increased liabilities and project expenses.

The Company may in the future also be subject to litigation and other costs, as well as actions by authorities relating to environmental, health and safety matters, including mine closures, the suspension of operations and prosecution for mining accidents, as well as significant penalties and fines for non-compliance. There are various pieces of legislation enacted and implemented since 1996, in addition to the South African Constitution and NEMA, granting legal standing to a wide range of interest groups to institute legal proceedings to enforce their environmental rights, which are enforceable against private entities as well as the South African government. In the future, the Company may also be subject to litigation in South Africa brought by members of the community affected by environmental-related impacts, as well as NGOs and public bodies. In this regard, recent case law in South Africa has provided a precedent for private prosecution by environmental NGOs for environmental infringements. It should be noted that the Company's Western Limb assets, being the Company's mines operated in the North West Province of South Africa, are situated in close proximity to declared nature reserves as well as private game farms. The owners of the game farms and NGOs are defensive of the area, to protect its pristine qualities for the purposes of tourism and thus actively take legal action to curtail the progressive encroachment of new mines or from mines desirous of expanding their existing footprint. Similarly, the private game farm owners as well as the State have plans to expand the protected areas, which may inhibit the Company's future expansions.

As environmental laws and regulations are becoming more complex and stringent, the Company's environmental management plans and/or programs and other environmental licenses may be the subject of increasingly strict

interpretation or enforcement, or become more comprehensive, which could result in increased capital or operating expenditure or financial or other penalties and/or the suspension or loss of the Company's rights. For example, the Company faces increasing challenges and costs at the Company's operations to comply with its statutory obligations in terms of applicable environmental law and regulations, as well as license and authorization requirements. The Company could face material cost overruns in meeting these compliance obligations. The occurrence of any of these risks could have a material adverse effect on the Company's business, results of operations, financial condition, and/or prospects.

The core health risks associated with the Company's mining operations arise from occupational exposure and community environmental exposure to silica dust, noise and certain hazardous substances, including toxic gases and harmful particulates. The most significant occupational diseases affecting the Company's workforce include lung diseases (such as silicosis, tuberculosis, a combination of the two and chronic obstructive airways disease) as well as noise-induced hearing loss. Past and current employees may be awarded compensation for occupational illnesses (and injuries) in accordance with the legislative regime applicable to the illness contracted.

In the case of occupational diseases such as silicosis, employees retain the right to seek additional compensation from their employer in a civil action under common law (either as individuals or as a class) for the shortfall of their claims, to the extent that such claims are not fully satisfied under the statutory workers compensation regime (which, due to the low thresholds set by statute, is often the case).

In May 2018, several South African gold mining companies agreed to a class action settlement agreement that provides compensation to all eligible workers suffering from silicosis and tuberculosis, who worked in certain South African gold mines from March 12, 1965 to the effective date of the settlement agreement. There is no guarantee that civil claims will not be brought against the Company in the future for damages allegedly suffered in connection with alleged contraventions of legal or regulatory obligations, including class actions related to alleged historical occupational health risks such as silicosis, pneumoconiosis or tuberculosis. This may, in turn, impact the Company's production and result in material liabilities stemming from any successful claims for compensation against the Company, in addition to material reputational harm to the Company and its operations. In addition, the Company expects to incur additional costs as it continuously reviews its engineering controls and monitoring systems in order to continuously reduce dust exposure as far as is reasonably practicable. Any, or all, of these health risks could have a material adverse effect on the Company's results of operations, financial condition and/or prospects.

Furthermore, the MHSA specifically provides employees with the ability to act in the interest of their own safety and the safety of their colleagues, including the right to leave a workplace, or to refuse to perform work, which, with reasonable justification, they believe to be dangerous. In the event that this right is exercised in the future, this may result in delays to the Company's operations and planning, particularly where employees' safety concerns may require some time to be rectified or engagement with employees is required to demonstrate that concerns have been addressed. Furthermore, allegations of adverse safety conditions may be initiated by the labour unions which, even if unsubstantiated, may result in reputational damage to the Company, lead to a regulatory investigation and/or an enforcement action.

Additionally, due to the nature of the Company's operations, the Company's employees and contractors are exposed to varying degrees of risk in the workplace. These risks may include exposure to dangerous situations, machinery or materials and/or health hazards and have the potential to result in disease, personal injury or death. The Company is responsible for the health, safety and security of its employees, (including third-party personnel) working at sites and persons who are not employed by the Company but may be directly affected by its operations under its management and, accordingly, must implement adequate health and safety systems and procedures. Health and safety incidents can result in loss of life, losses and liabilities, work stoppages (as a result of stoppage orders from the Mine Health and Safety Inspectorate or otherwise), serious damage to equipment or property or environmental damage. These risk factors can, singularly or in combination, have a material effect on the Company's reputation, results of operations, and financial condition. In the event of disease, injury or death arising out of the negligence of an employer or its employees, a risk of criminal and, in certain circumstances, civil litigation exists. In the case of a work-related fatality, an employer may be subjected to criminal charges in a court of law. Furthermore, such incidents can result in violations of various health and safety laws and regulations that could have a material adverse effect on the Company's results of operations, financial condition and/or prospects.

If new regulations, potential litigation or changes to health and safety laws increase the burden of compliance or the penalties for non-compliance, this may cause the Company to incur further significant costs and could have a material adverse effect on the Company's business, operating results and financial position.

Regulators, such as the DMRE, can and do issue, in the ordinary course of operations, instructions, such as orders issued in terms of section 54 of the MHSA, following safety incidents or accidents to partially or completely halt operations at affected mines. Historically, safety orders, such as orders issued in terms of section 54 of the MHSA, have been more prevalent in the PGM industry and, as such, the Company's operations are at a heightened risk of being affected by stoppages resulting from such orders

PPM recorded four instructions issued in terms of section 54 of the MHSA during the course of 2022. Following the issuance of such instructions, PPM complied with the obligations imposed as stipulated in the instructions and following such compliance all instructions were subsequently withdrawn in writing by the DMRE.

In addition, South Africa's Deputy Minister of Mineral Resources and Energy has stated that the ministry may increase sanctions, including closures, for mines in which fatalities occur because of violations of health and safety rules.

It is the Company's policy to halt production at its operations when serious accidents occur in order to assess the situation and, if necessary, retrain workers. In addition, there can be no assurance that unions will not take industrial action in response to such accidents, which could lead to losses in the Company's production. Any additional stoppages in production, or increased costs associated with such incidents, could have a material adverse effect on the Company's business, operating results and financial condition. Such incidents may also negatively affect the Company's reputation with, among others, employees, unions and regulators.

The Company's actual costs of reclamation and mine closure may exceed current estimates, which may, along with the inability to safely close redundant operations, adversely affect the Company's business.

Under section 24P of NEMA and the regulations pertaining to the Financial Provisions for Prospecting, Exploration, Mining or Production Operations, 2015, in terms of NEMA, published in the South African Government Gazette GNR 1147 of November 20, 2015 (the "2015 Financial Provisioning Regulations"), companies engaged in mining activities, such as the Group, are required to set aside financial provisions for the costs associated with the rehabilitation, closure and ongoing post-decommissioning management of negative environmental impacts arising from such mining company's prospecting, exploration, mining or production activities. As of December 31, 2022 and 2021, the Company had made a provision of USD20.8 million and USD18.8 million, respectively, in its audited annual consolidated financial statements in respect of its financial provisioning obligations. There is however no guarantee that the actual costs of rehabilitation and remediation of environmental impacts will accord with the Company's provisioning or that the estimated costs will not increase in the future when the Company's respective mine closure plans are updated in detail. If the Company's actual mine closure costs significantly exceed its estimates, this may have a material adverse effect on the Company's business, the Company's operating results and/or financial condition.

The 2015 Financial Provisioning Regulations specify various procedures for how financial provision is to be made, audited and reviewed. Existing mining right holders were entitled to a transitional deferral from the application of the assessment provisions under the 2015 Financial Provisioning Regulations. Existing mining right holders are required to comply with the requirements set out in the 2015 Financial Provisioning Regulations by September 19, 2023.

Failure to comply with section 24P of NEMA and the 2015 Financial Provisioning Regulations is a criminal offence, and a holder of a mining right may be liable upon conviction to a fine not exceeding R10 million or to imprisonment for a period not exceeding 10 years, or to both such a fine or such imprisonment. Such non-compliance may also give rise to the potential suspension of mining operations or the suspension or termination of the Company's mineral rights.

The regulation of financial provisioning is currently in a state of uncertainty as the 2015 Financial Provisioning Regulations are expected to be replaced by a new set of regulations in the near future. Revised drafts of regulations were published in 2017, 2019 and 2021, but are yet to be finalized.

As currently drafted, the proposed new financial provisioning regulations, the 2019 Financial Provisioning Regulations, will alter the way companies calculate financial provisioning. Although the 2015 Financial Provisioning Regulations have brought about a number of changes to the previous regime under the MPRDA regarding financial provisioning, it is likely that compliance with the new regulations will substantially increase the required quantum of financial provisioning made by companies with existing operations and provided for in the operating budget of applicants and holders of mining rights, rather than by the financial vehicles historically used by mining companies to provide for these provisions.

The reason for this increase in financial provisioning is mainly attributable to the change which specifies that latent or residual environmental impacts, which may become known in the future, will include the pumping and treatment of polluted or extraneous water.

In 2022, the cost impact to the Company of maintaining the existing financial guarantees was expected to be approximately 1.2% (blended average) of the full value of the guarantees payable annually, and a further approximate 3.1% of the value of the guarantees is expected be paid annually into an investment account with funds becoming available only when these costs are actually incurred. On December 22, 2022, the DMRE issued an acknowledgement of the financial provision report of financial year 2021, which resulted in an additional guarantee of USD4.3 million applied for in January 2023. If the 2019 Financial Provisioning Regulations are brought into force on their current terms, it is presently estimated that an additional annual charge (costs) of R1.5 million per annum may arise to the Company, assuming broadly similar terms to what is currently available in the market.

Regulation of greenhouse gas emissions and climate change issues may materially adversely affect the Company's operations.

Energy is a significant input and cost to the Company's mining operations, with the Company's principal energy sources being electricity and purchased petroleum products. Several governments or governmental bodies, including the United Nations Framework Convention on Climate Change and the South African government have introduced or are contemplating regulatory changes in response to the potential impact of climate change.

The South African government introduced a carbon tax under the South African Carbon Tax Act No. 15 of 2019 (as amended from time to time) (the "Carbon Tax Act") with effect from June 1, 2019. The carbon tax, which was introduced in a phased manner, is levied on the carbon dioxide equivalent of the Company's greenhouse gas emissions (referred to as CO2e emissions). The first phase of the Carbon Tax Act, which was initially meant to run from June 1, 2019 to December 31, 2022 has been extended by three years for the period January 1, 2023 to December 31, 2025. The basic rate for the tax period January 1, 2022 to December 31, 2022 was R144 per tonne of CO_2e emissions and has been increased to R159 per tonne CO_2e emissions for the 2023 tax period. The carbon tax rates will increase to R190 (2024 tax period), R236 (2025 tax period), R308 (2026 tax period), R347 (2027 tax period), R385 (2028 tax period), R424 (2029 tax period) and R462 (2030 tax period). Thereafter the Minister of Finance will announce any increases in the carbon tax rates in the national annual budget. Allowances under the Carbon Tax Act result in an effective carbon tax rate ranging from R7.20 to R57.60 per tonne of CO_2e emitted for the 2022 tax period, and R7.95 to R63.60 per tonne of CO2e emitted for the 2023 tax period. A paper will be published in 2023 on possible design options for the allowances for public comment and further stakeholder consultation. The South African government indicated that a review of the impact of carbon tax will be conducted before the second phase, after at least three years of implementation of the carbon tax. The impact and possible changes to the amount of carbon tax in future years has been projected by the South African government and may have a more significant impact on the Company's operations than anticipated.

The impact of carbon tax on the Company is both direct (where the Company has a carbon tax liability) or indirect (where suppliers to the Company are subject to carbon tax and increase the prices of their goods due to the carbon tax). The Company's principal energy sources include electricity where the electricity generator is subject to carbon tax. At present electricity generators are able to deduct from their carbon tax liability the renewable energy premium (amounts which they pay to entities which supply them with renewable energy) and the environmental levy (an electricity generation levy which is levied upon electricity generators). As a result of these deductions, which represent the South African government's electricity price neutrality commitment, electricity generators such as Eskom do not have any carbon tax liability. As a result of the extension of the first phase to December 31, 2025, the electricity price neutrality commitment will also be extended until December 31, 2025. However, following the review of the carbon tax at the end of the first phase it is possible that these arrangements may change which could then result in an increase in the price of electricity and accordingly the Company's costs.

Simultaneously with the introduction of the carbon tax under the Carbon Tax Act, a carbon fuel levy was introduced under the Customs and Excise Act No. 91 of 1964, as part of the current South African fuel levy regime. The carbon fuel levy now includes a carbon levy, which applies to stationary and non-stationary mobile emissions resulting from the use of liquid fuels, mostly petrol and diesel. The carbon fuel levy on diesel, which came into effect on June 5, 2019, is currently R0.10 per liter and will be R0.11 per liter from April 5, 2023. In addition, a notice published in the South African Government Gazette on May 31, 2019, provided that the carbon fuel levy was excluded from the diesel refund regime. As such, a person who becomes liable for the carbon fuel levy, will not be able to claim a refund on the R0.10 per liter of diesel paid in respect of the carbon fuel levy on diesel.

In addition, the DFFE is currently working on draft legislation that will impose so-called "carbon budgets" on entities in identified high-emitting industries, including mining (the "Climate Change Bill"). The "carbon budgets" are intended to operate as statutory limits for greenhouse gas emissions, emissions in excess of which will attract a higher carbon tax rate at a rate of R640 per tonne of CO2e emitted. The South African National Treasury and the DFFE have reviewed various options for aligning the carbon tax with the carbon budgets, with the most recent proposal being that emissions below the carbon budget will be taxed according to the current carbon tax rates, and those exceeding the carbon budget will be taxed a rate of R640 per tonne of CO2e emissions. Since the Climate Change Bill has not been promulgated, the Carbon Tax Act has not been drafted to reflect this alignment at this stage. Once the Climate Change Bill is assented to as an act of Parliament, the Carbon Tax Act can then be amended to include the higher rate of carbon tax.

There can be no assurance that the Company will be able to meet its voluntary targets relating to greenhouse gas emissions or comply with targets that may be imposed on the mining industry by external regulators. Furthermore, additional, new and/or different regulations in this area, such as the imposition of stricter limits than those currently contemplated, could be enacted; all of which could have a material adverse effect on the Company's business, results of operations, financial condition, and prospects. Furthermore, the potential physical impacts of climate change on the

Company's operations are highly uncertain and may adversely impact the cost, production and financial performance of the Company's operations.

The Company's operations are subject to water use regulation, which could impose significant costs and burdens.

South Africa is a water-scarce country, where the demand for water exceeds natural water availability in several river basins. As a result, the Company's operations are subject to regulatory controls on usage and disposal of water. Under South African law, mining operations are subject to water use licenses and/or authorizations that govern each operation's water usage and that require, among other things, mining companies to achieve and maintain certain water quality limits regarding all water discharges. The Company may therefore face increasing competition for water uses both in respect of surface and groundwater, which will not only have implications from a water allocation and entitlement perspective but may result in higher operating costs from a tariff perspective, as water use charges may increase. If water scarcity becomes acute, this would raise risks in relation to the sustainability of supply, and there may be a need for the Company to implement new technology in order to use water more efficiently. Under South African law, mining companies are subject to integrated water use licenses ("IWULs") and/or other water use authorizations that govern a mining company's water usage. Additionally, these IWULs and other water authorizations require, among other things, the operations to achieve and maintain certain water quality limits regarding all water discharges and impacts. IWULs are subject to regular reviews, and there may be stricter conditions imposed upon a mining company in South Africa in the event of a change in environmental circumstances, which would make compliance with such licenses increasingly challenging. Any failure by the Company to achieve or maintain compliance with the requirements of any of its IWULs with respect to any of its operations, including poor water management and control of current operating mines and redundant operations, could result in the Company being subject to substantial claims, penalties, fees and expenses, significant delays in operations, or the suspension or withdrawal of the Company's entitlement to use water and negatively impact operating licenses. This could have a material adverse effect on the Company's reputation, business, results of operations, financial condition and/or prospects.

Due to the nature of open cast and underground mining and the extensive environmental footprint of the Company's operations, environmental hazards, industrial accidents, seismic activity, mining accidents and pollution may result in operational disruptions such as work stoppages, which could result in increased production costs as well as financial and regulatory liabilities.

Mining by its nature involves significant risks and hazards, including environmental hazards, as well as industrial and mining accidents. These include, for example, seismic events, fires, cave-ins and blockages, flooding, discharges of gasses and toxic substances, contamination of water, air or soil resources, unusual and unexpected rock formation affecting ore or wall rock characteristics, ground or slope failures, rock bursts, tailings dam failures, wildfires, radioactivity and other accidents or conditions resulting from mining activities, including, among others, blasting and the transport, storage and handling of hazardous materials. In addition, production, in general, is negatively affected in the summer months, with high rainfall and inclement weather conditions affecting mining in an open pit environment. Excessive rainfall during the month of April 2022 (152mm) affected workdays and production at the PPM Mine due to high rainfall experienced over short periods of time (as opposed to rainfall spread out over time). Rainfall assessed over an annual period (January to December) increased by 20% from 2021 to 2022 and 37% from 2020 to 2021.

The Company has experienced, and continues to remain at risk of experiencing, environmental and other industrial hazards, as well as industrial and mining accidents. Any such incidents could have a material adverse effect on the Company's business, operating results and financial condition.

Seismic activity is of particular concern in the underground mining environment. Seismic events have intermittently in the past caused death and injury to employees and contractors and can result in safety-related stoppages. Additionally, seismic activity has also caused a loss of mining equipment, damage to and destruction of mineral properties and production facilities, monetary losses, environmental damage and potential legal liabilities.

Furthermore, there is the risk that relevant regulators, such as the DMRE in South Africa, may impose fines and work stoppages (known as section 54 stoppages) for non-compliant mining operating procedures and activities, which could reduce or halt production until lifted. The occurrence of any of these events could delay or halt production, increase production costs and result in financial and regulatory liability for the Company, which could have a material adverse effect on the Company's business, results of operations, and financial condition. See also "— The Company's operations are subject to environmental, health and safety regulations, which could impose additional costs and compliance requirements, and the Company may face claims and liability for breaches, or alleged breaches, of such regulations and other applicable laws."

In addition, the relevant environmental authorities have issued and may issue administrative directives and compliance notices in the future, to enforce the provisions of the relevant statutes (including, but not limited to, NEMA, the South African National Water Act No. 36 of 1998 (as amended from time to time), the NEMAQA, The National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004) and the Waste Act, The National Environmental

Management: Waste Act, 2008 (Act 59 of 2008) , to take specific anti-pollution measures, continue with those measures and/or to complete those measures. The authorities may also order the suspension of part, or all, the Company's operations if there is non-compliance with legislation. Contravention of some of these statutes may also constitute a criminal offense and an offender may be liable for a fine or imprisonment, or both, in addition to administrative penalties.

As a result, the occurrence of any of these events may have a material adverse effect on the Company's business, results of operations and financial condition.

Theft of PGM concentrate and production inputs, may occur on some of the Company's properties. These activities are difficult to control, can disrupt the Company's business and can expose the Company to liability.

The Company experienced illegal and artisanal mining activities and theft of precious metals bearing materials (which may be by employees or third parties) at the Company's properties. The activities of illegal and artisanal miners could lead to reduction of Mineral Reserves and/or Mineral Resources, potentially affecting the economic viability of mining certain areas and shortening the lives of the operations as well as causing possible operational disruption, project delays, disputes with illegal miners and communities, pollution or damage to property for which the Company could potentially be held responsible, leading to fines or other costs. Rising PGM prices may result in an increase in PGM theft. The occurrence of any of these events could have a material adverse effect on the Company's business, operating results and financial condition.

Social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of the Company's operations may disrupt the Company's business or may lead to greater social or regulatory impositions on the Company.

There are several informal settlements located in the vicinity of some of the Company's operations. These settlements are populated by mining company employees (including the Company's employees), the families of mining company employees and others. In recent years, the size of these settlements has grown substantially. Poor living conditions in these settlements may lead to the spread of disease or other health hazards, which may increase absences or affect the productivity of employees. The population of such settlements or the surrounding communities may also demand jobs, social services or infrastructure from the local mining operations, including the Group. Any such demands or other demands from these communities may lead to increased costs or regulatory burdens on the Company. Such demands may also lead to protests or other actions that may hinder the Company's ability to operate. The Company may have to implement appropriate objectives and initiatives to address this risk, especially considering that this has been heightened due to the impact of the COVID-19 pandemic.

In addition, on March 20, 2019, the Minister of Mineral Resources and Energy published the draft Reviewed Housing and Living Conditions Standard, inviting interested and affected parties to submit written representations on the draft within thirty (30) days of publication of the notice. The Reviewed Housing and Living Conditions Standard have not come into effect. If the Reviewed Housing and Living Conditions Standard becomes effective, the Company may be required to revise its current housing and living condition plans in terms of the Company's SLPs to align with the Reviewed Housing and Living Conditions Standard, which could result in increased costs.

Any of the above factors could have a material adverse effect on the Company's business, reputation, results of operations and financial condition.

The failure of a tailings storage facility could negatively impact the Company's business, reputation, operating results and financial condition.

Mining companies face inherent risks in their operation of tailings storage facilities. Tailings storage facilities are structures built for the containment of fine mining waste, known as tailings. This waste, which consists mainly of material that is extracted during mining but not used in the production of metals, must be disposed of in an appropriate manner so as not to impact the safety of the workforce and communities or cause environmental damage. However, the use of tailings storage facilities exposes the Company to certain risks, among them seepage of decanted tailings water or acid mine drainage and the failure of a dam at a tailings storage facility. Tailings storage facilities designed with upstream constructed embankments may present greater risk, particularly where the facility is located in a high seasonal rainfall area and where the embankments are constructed using reclaimed tailings materials. For example, in January 2019, the dam of a Brazilian mining company's tailings storage facility (not associated with the Company) failed, releasing muddy tailings downstream, reaching and flooding certain communities, causing multiple deaths and extensive property and environmental damage in the surrounding area. This dam failure followed another similar incident in Brazil in 2015 and in Canada in 2014. The dam failure in 2019 resulted in the immediate stoppage of that company's mining operations pursuant to an order by government authorities. The occurrence of a dam failure at the Company's tailings storage facility could also lead to the loss of human life and/or extensive property and permanent environmental damage, leading to the need for large expenditures on contingencies and on recovering the regions

and people affected and the payment of penalties, fines or other money damages. For example, an incident that is unrelated to the Company occurred on September 11, 2022, when the dam wall of a tailings dam at the Jagersfontein Mine (not associated with the Company) collapsed due to a structural failure. Several houses were swept away and demolished, and many more damaged. The incident caused three known fatalities and multiple serious injuries were sustained.

The Company maintains measures to manage its dams' safety, including compliance with the International Council on Mining and Metals' (the "ICMM") Tailings Governance Position Statement and undertake routine reviews by independent international consulting companies. However, the Company cannot guarantee the effectiveness of its designs, construction quality or regular monitoring throughout the Company's operations or that these measures will prevent the failure of one or more of the Company's tailings dams or that such potential failure will be detected in advance.

The failure of a dam at a tailing's storage facility could lead to multiple legal proceedings and investigations, which could include securities class actions, criminal proceedings and public civil actions (against the Company and/or individuals) for significant amounts of damages. Furthermore, the elimination of the "conventional" practice of storing wet tailings (e.g., alternatively filtering, "dry" stacking and compacting the tailings) could require the research, development and deployment of new technologies, which could lead to additional large expenditures. As a result of the recent dam failures described above or as a result of future dam failures, additional environmental and health and safety laws and regulations may be forthcoming globally, including in South Africa, which may ban or curtail any storage of wet tailings or the construction or use of upstream tailings dams. In addition, changes in industry standards, laws and regulations may impose more stringent conditions in connection with the licensing process of projects and operations and increased criminal and civil liability for companies, officers and contractors. For example, the ICMM, the United Nations Environment Programme ("UNEP") and the Principles for Responsible Investment ("PRI") have co-convened global tailings review to establish an international tailings standard (Global Tailings Standard).

The occurrence of any of the above-mentioned risks could have a material adverse effect on the Company's business, results of operations and financial condition.

Risks related to South Africa

Economic, political or social instability in South Africa may have a material adverse effect on the Company's operations and profits.

The Company's mining operations are located in South Africa. South Africa features highly developed and sophisticated business sectors and financial and legal infrastructure is at the core of its economy but changes to, or increased instability in the economic, political or social environment in South Africa or surrounding countries could create uncertainty, which discourages investment in the region and may affect investments in the Company.

Large parts of the South African population do not have access to adequate education, health care, housing and other services including water and electricity. Government policies aimed at alleviating and redressing disadvantages suffered by most citizens under previous governments may increase the costs and reduce the profitability of the Company's business. In addition, socio-political instability and unrest may also disrupt the Company's business and operations, compromise safety and security, increase costs, affect employee morale, impact the Company's ability to deliver the Company's operational plans, create uncertainty regarding mining licenses, and cause reputational damage; any of which could have a material adverse effect on the Company's business, results of operations and financial condition.

In March 2019, the President of South Africa, Cyril Ramaphosa, announced that South Africa would move forward with the nationalization of the SARB. Following the announcement, government officials made various contradictory statements regarding the government's plans to nationalize the SARB, which have created uncertainty around this issue. In November 2020, the Standing Committee on Finance invited stakeholders and interested parties to submit written submissions on the South African Reserve Bank Amendment Bill, which amends the South African Reserve Bank Act No. 90 of 1989, which bill, *inter alia*, proposes that state should be made the sole holder of the shares in the SARB. Submissions were received in this regard. On July 31, 2022, and in context of the concluded African National Congress' ("ANC") 2022 National Policy Conference, Mr. Ramaphosa reaffirmed this proposal and indicated that it was decided at the conference that the private ownership of the SARB should not continue but noted that this would only be implemented in a "manner and pace that takes account of the cost to the fiscus". While the SARB's independence is constitutionally guaranteed, any economic or political instability caused by any nationalization process, whether or not fully or partially completed, may create issues with the movement of funds into or out of South Africa and impact the general business environment in South Africa. Any negative impact on the South African economy could adversely affect the Company's business, operating results and financial condition.

Community disruptions could result in access to the Company's mining operations being obstructed, the Company's property being damaged, and production being interrupted. In addition, while the South African government has stated that it does not intend to nationalize mining assets or mining companies, certain opposition political parties have stated publicly that the government should embark on a program of nationalization. See "— Risks related to legal, regulatory and compliance Matters — The Company's operations are subject to the imposition of several regulatory costs, which may have a material adverse effect on the Company's business, operations and profits." Any threats, or actual proceedings, to nationalize any of the Company's assets could cause a cessation or curtailment of the Company's operations, resulting in a material adverse effect on the Company's business, operating results and financial condition. If any of these risks materialize, this could cause a rapid decline in the value of the Company's securities, thereby possibly causing holders of ordinary shares to lose their respective investments.

In addition, the ongoing legal battles and civil action relating to former South African President Jacob Zuma's corruption charges, fueled by job layoffs and economic inequality worsened by the COVID-19 pandemic, lead to unprecedented civil unrest in July 2021.

On June 29, 2021, following repeated absences from the court, Jacob Zuma was sentenced to 15 months in prison for contempt of court after he refused to appear at a commission in the South African government appointed to investigate alleged corruption during his time in office. On July 9, 2021, the same day the Pietermaritzburg High Court upheld Jacob Zuma's conviction and prison sentence for contempt of court, public unrest began in the form of riots, mass looting, violence and acts of destruction, mainly in the KwaZulu-Natal and Gauteng provinces. The riots, looting, and widespread violence continued for several days and quickly escalated, resulting in the deployment of the South African National Defence Force to assist law enforcement agencies in quelling the unrest.

The unrest had far-reaching, adverse impacts across various industries and sectors, including impacts on logistic networks as a result of road closures, supply chain disruptions (including food, fuel, and medical supply shortages), and resulted in the suspension of the COVID-19 vaccine rollout in several areas. Hundreds of properties were destroyed, and businesses were forced to shut down. On July 20, 2021, the acting Minister in the Presidency, Khumbudzo Ntshavheni, citing the South African Property Owners Association' estimate, noted that the unrest could cost a loss of R50 billion ($3.4 billion) to South Africa's national economy and placed at least 150,000 jobs at risk. It is estimated that at least 330 people died in connection with the unrest.

High levels of unemployment and a shortage of critical skills in South Africa, despite increased government expenditure on education and training, remain issues that impact the local economy. In particular, the effects of COVID-19 have, and continue to impact, stability in South Africa. For further information on the impact of COVID-19, see "— *Risks related to the Company's business and the Company's industry — The global COVID-19 pandemic has significantly impacted the global economy and markets, and is likely to continue to do so, which could adversely affect the Company's business, results of operations, financial condition and prospects*." With the recent civil unrest and looting, coupled with the effects of COVID-19, the national unemployment rate as of the start of 2023 was 32.7%.

In February 2023, President Cyril Ramaphosa declared a national state of disaster during the ongoing energy crises within South Africa. The vast increase in the occurrence of load shedding has led and may continue to lead to increased business costs and reduced productivity.

Several other political and economic factors have led to, and may continue to lead, to further downgrades in national credit ratings, and may adversely affect the South African mining industry as a whole, as well as the Company's operations.

More specifically, South African mining companies are experiencing increasing trends of incitement and violence towards mines, breaches of perimeter security, vandalism and robbery, the annexation of waste rock dumps, as well as the intimidation and murder of mining employees.

In addition, economic and political instability and geopolitical events in regions outside of South Africa, including the United Kingdom's exit from the European Union, the emergence of a trade war between the United States and China and the invasion of Ukraine by Russia in February 2022 (and the retaliatory measures that have been taken, or could be taken in the future, by the United States and other countries), may result in unavoidable uncertainties and events that could: negatively affect the risk appetite for investments in the equity markets, South Africa and mining companies in particular; cause volatility in currency exchange rates, commodity prices, interest rates, and worldwide political, regulatory, economic or market conditions; and contribute to instability in political institutions, regulatory agencies, and financial markets. Any of these factors could have a material adverse effect on the Company's business, operating results and financial condition.

It is difficult to predict the future political, social and economic direction of South Africa or the manner in which any future government will attempt to address the inequalities and instability present within our country. It is also difficult to predict the impact that addressing these challenges will have on the Company's business. These risks may include

changes in legislation, arbitrary interference with private ownership of contract rights in respect of land, and changes to exchange controls, taxation and other laws or policies affecting foreign trade or investment. Any such changes, including changes in investment ratings, regulations and policies or a shift in political attitudes both within and towards South Africa are beyond the Company's control and could materially and adversely affect the business, financial condition and results of operations of the Company's business.

A further downgrade of South Africa's credit rating may have an adverse effect on the Company's cost of funding and ability to secure financing.

Prior to 2017, the challenges facing the mining industry and various other sectors in South Africa were some of the factors that resulted in the downgrading of South Africa's sovereign credit rating to non-investment grade by Standard & Poor's, Fitch Ratings, and Moody's. As of March 9, 2023, Standard & Poor's maintained South Africa's sovereign credit rating at BB-. Fitch Ratings affirmed South Africa's long-term sovereign credit rating at BB- on December 16, 2021. BB- is three notches below investment grade. As of April 4, 2022, Moody's maintained South Africa's credit rating at Ba2 (per its downgrade on November 21, 2020), which is two notches below investment grade. These downgrades, and the risk of further downgrades, may have a material adverse effect on the South African economy as many pension funds and other large investors are required by internal rules to sell securities once two separate agencies rate South Africa as non-investment grade. This may restrict the Company's future access to international financing and could have a material adverse effect on the Company's business, results of operations, financial condition and/or prospects.

Because PGMs and gold are generally sold in U.S. dollars, while the majority of the Company's production and a substantial amount of the Company's PGM production costs are denominated in South African rand, the Company's operating results and financial condition will be materially affected if there is a material change in the value of the South African rand.

PGMs and gold are principally sold throughout the world in U.S. dollars, but the Company's costs of production at its operations in South Africa are primarily incurred in South African rand. Recent volatility in the South African rand has made the Company's costs and results of operations less predictable than when currency exchange rates are more stable. The South African rand has experienced significant devaluation against the U.S. dollar, falling from R10.34 per USD1.00 as of December 31, 2013, to R15.54 per USD1.00 as of December 31, 2015, before strengthening again to R14.00 per USD1.00 as of December 31, 2019. On March 27, 2020, following Moody's downgrade of South Africa's sovereign credit rating to non-investment grade, the value of the South African rand was further devalued to R17.62 per USD1.00, followed by a gradual strengthening in the second half of fiscal 2020. Following Moody's downgrade on March 27, 2020, the South African rand strengthened by 16.6% against the U.S. dollar to R14.69 per USD1.00 as of December 31, 2020. In 2021 and 2022, the South African rand continued to appreciate against the U.S. dollar, reaching R15.90 per USD1.00 as of December 31, 2021 and then depreciated to R18.45 per USD1.00 as of December 31, 2022 largely due to risk sentiment emanating from markets seeing inflation risks in the USA. Any significant increase or appreciation of the South African rand against the U.S. dollar would increase the Company's operating costs in U.S. dollar terms and reduce revenue in South African rand terms, which could materially adversely affect the Company's results of operations, and financial condition. Conversely, a weakening of the South African rand may result in higher inflation in South Africa, which would increase the prices the Company pays for products and services. In light of these factors and the likely impact on cash flow, the Company's management regularly re-evaluates its current growth capital expenditure plans. Certain projects may be deferred or placed on care and maintenance until commodity prices sustainably improve and/or currency exchange rate volatility has subsided. Should a strong South African rand/U.S. dollar exchange rate persist without a corresponding gain in commodity prices, the Company may consider increasing operational flexibility by adjusting mine plans, reducing capital expenditure, or selling assets and, if necessary, consider options to increase funding flexibility. All of these factors could have a material adverse effect on the Company's business, operating results and financial condition.

South African Exchange Control Regulations could materially constrain the Company's financial flexibility.

South Africa's existing South African Exchange Control Regulations, 1961 (as amended from time to time) (the "Exchange Control Regulations") restrict the ability of South African companies to convert or transfer sums in foreign currencies to or from South Africa. Transactions between South African residents (including companies) and non-residents (but excluding residents of the Common Monetary Area consisting of South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of Eswatini (the "CMA")) are subject to exchange controls enforced by the SARB and are generally not permitted to export capital from South Africa, hold foreign currency in excess of certain limits or incur indebtedness denominated in foreign currencies without the approval of the Financial Surveillance Department ("FinSurv") and they are not permitted to acquire and interest in a foreign venture without the approval of FinSurv.

As a result, the Company's ability to raise or deploy loan funding outside the CMA is currently subject to consent from either the SARB, or where such authority has been delegated, an "Authorised Dealer" with full capacity at an approved bank operating in South Africa, particularly any debt funding that the Company may require from offshore lenders.

These limitations placed on flowing all funds in an unregulated manner could hinder the Company's financial and strategic flexibility, particularly its ability to raise funds outside South Africa. In addition, the ability to generate cash flows at the level of Sedibelo and other non-South African Group companies depends on the ability of the Company's South African Group subsidiaries to upstream funds.

In February 2020, the Minister of Finance announced a new capital flow management system in the 2020 Budget Speech, in terms of which all foreign-currency transactions will be allowed, except for a risk-based list of capital flow measures. The 2021 Budget Speech on February 24, stated the new capital flow management framework would continue to be developed and that new regulations in this regard will be published "shortly." To date, the new framework and regulations have not yet been published, although there has been an ongoing relaxation of current exchange controls with a view to easing controls and implementing a prudential-based system.

Recent updates to the Exchange Control Regulations place the approval of a listing by a South African company on a foreign stock exchange with the Authorised Dealer. Therefore, we will need the approval of the Authorised Dealer to list our common shares on any foreign stock exchange. While our engagements with our Authorised Dealer are positive, there can be no assurance that it will approve any such listing.

There is no assurance that restrictions on currency exchange will not be reinstated or implemented in the future or that these restrictions will not limit the ability of the Company's subsidiaries to transfer cash or borrow from outside the CMA, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company's business, results of operations, and financial condition may be adversely affected by inflation.

South Africa has historically experienced high rates of inflation. Inflation, as well as government efforts to combat inflation, had significant negative effects on the South African economy. Inflation rates were 4.5% in 2018, 4.1% in 2019, 3.2% in 2020, 4.4% in 2021 and 6.9% in 2022 and is now edging closer to 7% in 2023, as measured by the World Bank Group. The South African government's measures to control inflation have often included maintaining tight monetary policy with high interest rates, thereby restricting the availability of credit and reducing economic growth. Inflation, actions that may be implemented to combat inflation and public speculation about any possible additional actions also may contribute materially to economic uncertainty in South Africa and accordingly weaken investor confidence, thus adversely impacting the Company's ability to access the international capital markets. Conversely, more lenient government policies and interest rate decreases may trigger increases in inflation and, consequently, growth volatility and the need for sudden and significant interest rate increases, which could negatively affect the Company's business.

South Africa may experience high levels of inflation in the future, which may increase the Company's costs, such as labour and energy. Inflationary pressures may also curtail the Company's ability to access international financial markets and may lead to further government intervention in the economy. This may include the introduction of government policies that may materially and adversely affect the overall performance of the South African economy, which in turn may materially and adversely affect the Company.

HIV/AIDS, tuberculosis and other contagious diseases pose risks to us in terms of lost productivity and increased costs.

The prevalence of HIV/AIDS in South Africa poses risks to the Company in terms of potentially reduced productivity and increased medical and other costs. Compounding this are the concomitant infections, such as tuberculosis, that can accompany HIV illness, particularly during the latter stages, and cause additional healthcare-related costs. Further, certain underlying health conditions, including conditions that compromise the immune system, such as HIV/AIDS, have worsened outcomes among individuals infected with COVID-19. See "— *Risks related to the Company's business and the Company's industry — The global COVID-19 pandemic has significantly impacted the global economy and markets and is likely to continue to do so, which could adversely affect the Company's business, results of operations, financial condition and prospects*." Additionally, the spread of contagious diseases such as respiratory diseases is exacerbated by communal housing. The spread of such diseases could impact employees' productivity, treatment costs and, therefore, operational costs.

If there is a significant increase in the prevalence of HIV/AIDS infection and related diseases among the workforce, this may have a material adverse effect on the Company's business, results of operations and financial condition.

The costs of healthcare services may increase in the future depending on underlying legislation and the profile of the Company's employees.

Healthcare costs in South Africa have increased in recent years. Healthcare, and particularly occupational healthcare, is provided by Discovery Health Medical Scheme, Bonitas Medical Fund and Medihelp Medical Scheme. There is a risk that the cost of providing such services could change in the future, depending on, among other things, the nature of underlying legislation and the profile of employees. This cost, should it transpire, is difficult to estimate. Significant increases in the costs of healthcare provided to the Company's employees at its facilities or mandated contributions to any national healthcare fund could have an adverse effect on the Company's business, financial condition and results of operations.

Risks related to the Company's incorporation in the Island of Guernsey

The Company may be subject to the Guernsey Income Tax (Substance Requirements) (Implementation) Regulations 2018.

The Guernsey Income Tax (Substance Requirements) (Implementation) Regulations 2018 (the "Guernsey Substance Regulations") which were made by the Policy & Resources Committee in Guernsey took effect on January 1, 2019.

Under the Guernsey Substance Regulations, the Company is classified as a "financing and leasing company," which requires the Company to demonstrate "adequate" economic substance in Guernsey.

The Guernsey Substance Regulations were subsequently amended by:

- the Income Tax (Substance Requirements) (Implementation) (Amendment) Regulations, 2018, which were made by the Policy & Resources Committee on December 19, 2018, taking effect from January 1, 2019;

- the Income Tax (Substance Requirements) (Implementation) (Amendment) Regulations, 2019, which were made by the Policy & Resources Committee on July 29, 2019, taking effect from August 1, 2019; and

- the Income Tax (Substance Requirements) (Implementation) (Amendment) Regulations, 2020, which were made by the Policy & Resources Committee on September 10, 2020, taking effect from October 1, 2020.

- the Income Tax (Substance Requirements) (Implementation) Regulations, 2021, which is a consolidation of the original substance requirements regulations and include the necessary amendments to accommodate the application of substance requirements to partnerships. This legislation took effect from 30 June 2021.

The Guernsey Substance Regulations may be further amended in the future and as a result, the Company may be required to employ additional individuals or engage additional service providers in Guernsey, which may result in increased annual administrative costs for the Company.

Risks related to the Company's ordinary shares

The Company does not anticipate paying dividends before it achieves significant production of its growth development projects.

In the Company's development phase, the Company has never declared or paid any cash dividends on its ordinary shares and does not intend to pay any cash dividends in the foreseeable future. The Company anticipates that it will retain all of its future earnings for use in the development of its business and for general corporate purposes. In addition, the Company's ability to pay cash dividends is not currently, but may in the future be, limited by the terms of the Company's credit agreements, and any future credit or other agreements that may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on the Company's ordinary shares. Accordingly, holders of ordinary shares must rely on sales of their ordinary shares after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

Appendix "B"

Emerging Markets Disclosure

Regulatory Overview – South Africa

Given that the Company operates in a highly regulated environment, its operations are subject to oversight and monitoring by various regulatory authorities that have broad administrative and discretionary powers over the Company. In addition to the general corporate and commercial law regulations, the Company is subject to comprehensive South African mining laws and regulations. The Company is also subject to other South African laws and regulations relating to competition, environmental protection, land expropriation, labour and data protection.

Exchange Control

All South African residents, which include South African incorporated companies, are subject to exchange control rules and regulations, as imposed by the Currency and Exchanges Act, 1933 and the Exchange Control Regulations ("Regulations") promulgated thereunder in terms of section 9(1) of the noted act. In terms of the Regulations, the control over South Africa's foreign currency reserves, including accruals thereto and spending thereof is vested in the Minister of Finance or an officer of the Department of the National Treasury (together "Treasury"), who is authorized to grant permissions or exemptions for certain transactions, subject to certain conditions. Although these permissions or exemptions which were previously referred to as 'Rulings' have no statutory force, they have the effect of law.

The Minister of Finance has delegated to the Governor, a Deputy Governor, the Head of the Financial Surveillance Department as well as other officials in the Financial Surveillance Department of the SARB, the powers, functions and duties assigned to and imposed on the Treasury under the Regulations. The Financial Surveillance Department of the SARB is therefore responsible for the day to day administration of exchange controls in South Africa. Section 9(5)(a) of the Currency and Exchanges Act, 1933 provides for the issuing of Orders and Rules, the current set of which was promulgated on December 1, 1961-12-01, and which contain various orders, rules, exemptions, forms and procedural arrangements as concerns exchange control matters.

Corporate law

As a company incorporated in Guernsey, the Company is governed by the Companies (Guernsey) Law, 2008 (as amended from time to time).

As a foreign company in South Africa, the Company is subject to Chapter 4 of the South African Companies Act No. 71 of 2008 (as amended from time to time) (the "South African Companies Act").

Members of the Group incorporated in South Africa are subject to the South African Companies Act, which regulates, among other things, the incorporation, registration, management and reporting requirements applicable to corporate actions such as acquisitions, disposals, financial assistance, share transactions and insolvencies.

Competition law

UK City Takeover Code

The City Code on Takeovers and Mergers (the "UK City Takeover Code") issued by the Panel on Takeovers and Mergers (the "Takeover Panel") in the United Kingdom is applicable to the Company by virtue of the provisions of Part XVIIIA of the Companies Law. The UK City Takeover Code applies to takeover offers in respect of public companies incorporated in Guernsey regardless of their not being listed in the United Kingdom or Crown Dependencies if they are considered to have their place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man. The UK City Takeover Code does not seek to define the concepts of central management and control, but the Takeover Panel may interpret the management and control of the Company as being in Guernsey. Therefore, the provisions of the UK City Takeover Code may be applicable to the Company in the event that a relevant takeover bid or merger arises.

The UK City Takeover Code is intended to ensure that shareholders in a company the subject of a takeover offer are treated fairly and not denied an opportunity to decide on the merits of a takeover offer and treated equivalently by an offeror.

The UK City Takeover Code is concerned with regulating takeover bids and merger transactions of relevant companies, however effected, including by means of statutory merger or scheme of arrangement. The UK City Takeover Code is also concerned with regulating other transactions which have as their objective or potential effect (directly or indirectly) obtaining or consolidating control of the relevant companies, as well as partial offers (including tender offers) to shareholders for securities in the relevant companies. The UK City Takeover Code also applies to unitization proposals which are in competition with another transaction to which it applies.

The South African Competition Act No. 89 of 1998 (as amended from time to time) (the "South African Competition Act") is a piece of legislation that prohibits anti-competitive restrictive practices and abuses of a dominant position and requires that transactions resulting in a change of control in which the parties exceed certain turnover and asset values must be approved by the relevant competition authority before implementation.

The South African Competition Act established the Competition Commission and the Competition Tribunal ("Tribunal") to enforce the South African Competition Act. The Tribunal may impose an administrative penalty for South African Competition Act violations of up to 10% for a first-time offense and up to 25% for a repeat offense (of the same conduct) of a company's turnover in South Africa and its exports from South Africa. The South African Competition Act also established the Competition Appeal Court ("Appeal Court"), a specialist division of the High Court of South Africa, to adjudicate Tribunal competition law cases. In certain circumstances, competition law cases can be appealed from the Appeal Court to the Constitutional Court of South Africa.

The Mineral and Petroleum Resources Development Act ("MPRDA")

Background

The MPRDA is the primary legislation that regulates the South African mining industry, which is implemented and regulated by the DMRE.

Since its adoption into law, the MPRDA introduced a regime of State custodianship where the State grants the right to prospect and mine. The MPRDA, and specifically the prescripts of section 4(2), abrogates the common law position that the surface landowner is the owner of the land, including the air space above the surface and the minerals beneath the surface. The common law position was supported by the South African Minerals Act No. 50 of 1991 (as amended from time to time) (the "Minerals Act"), which has since been abrogated by the MPRDA.

While the MPRDA does not expressly provide that the state is the owner of unmined minerals, the ability of a landowner to exercise absolute rights over minerals found on or under their land has been neutralized. The owner retains ultimate ownership, but not the incidence of ownership in respect of the minerals. Accordingly, the holder of a new order right to minerals under the MPRDA is granted a "limited real right" in the minerals to which the mining right relates.

In terms of the MPRDA, applicants can apply for rights for the prospecting or mining of minerals. Prospecting rights are granted for a period of up to five years, with a single right to renew for a period of up to three years. As such, a prospecting right can be valid for eight years, if renewed. Mining permits are granted for a period not exceeding two years for an area that does not exceed five hectares in extent and may be renewed for three consecutive periods, each not exceeding one year. Mining rights are granted for a period of up to 30 years. The MPRDA does not stipulate how many times a mining right can be renewed and merely provides that a mining right may be renewed for further periods, each of which must not exceed 30 years at a time in respect of each renewal, provided that the holder can justify that it can continue mining operations. Further renewals are only available if requirements for a renewal as stipulated in the MPRDA are met.

In terms of the MPRDA, the South African government is required to apply a "first come, first serve" approach in granting a mining right. There are certain requirements in terms of the MPRDA that must be met by applicants before the Minister of Mineral Resources and Energy can grant the right. On the meeting of such requirements, the Minister of Mineral Resources and Energy must grant the right. A failure to grant a right is an administrative action that is capable of internal appeal before the relevant official at the DMRE, depending on who the official was that took the administrative decision. After an internal appeal, a judicial review process is available to aggrieved applicants, on the condition that all internal appeals have been exhausted. The MPRDA provides that administrative processes must be conducted, or administrative decisions must be taken within a reasonable time and in accordance with the principles of lawfulness, reasonableness, and procedural fairness, and that these decisions and the reasons behind them must be given in writing. Once rights are granted to applicants, the right must be executed in the form of a notarial deed and registered at the MPTRO in order for the right to enjoy that status of a "limited real right" enforceable against third parties.

As part of the mining right application, applicants are required to present, for approval, a mining work program ("MWP"). In this regard, once a mining right has been granted, the holder thereof is required to also comply with the approved MWP. The MWP sets out the obligations of the mining right holder in relation to mining methods, expected production and other technical aspects of the mining operations. The MPRDA requires, among other things, that mining companies also submit a SLP, which set out their commitments relating to human resource development, labour planning and socio-economic development planning to the DMRE

Renewal of a mining right

A mining right holder whose mining right is coming up for expiry has the exclusive right to apply for and be granted a renewal of the mining right in respect of the mineral and mining area in question. The maximum period of a renewal of a mining right is 30 years, but it can be renewed for further periods (each of which may not exceed 30 years at a time). In terms of the MPRDA, the Minister of Mineral Resources and Energy must grant a renewal of a mining right if the applicant complies with the requirements of the MPRDA.

When renewing a mining right, an applicant must: (i) not be in contravention of any provision of the MPRDA and must have complied with the terms and conditions of the mining right; (ii) confirm its compliance with the requirements of the approved environmental authorization, and the prescribed SLP; and (iii) confirm that it complied with the MWP.

The holder of a prospecting right has the exclusive right to apply for a mining right

The holder of a prospecting right has the exclusive right to apply for and be granted a mining right in respect of the mineral and prospecting area in question up until the expiry of the prospecting right. Once the prospecting right holder has lodged the mining right application, it receives protection on the basis of a first-come, first-serve application regime.

The Resources Minister must grant a mining right if:

- the mineral can be mined optimally in accordance with the MWP;
- the applicant has access to financial resources and has the technical ability to conduct the proposed mining operation optimally;
- the financing plan is compatible with the intended mining operation and duration thereof;
- the mining will not result in unacceptable pollution, ecological degradation, or damage to the environment and an environmental authorization is issued;
- the applicant has provided for the prescribed SLP;
- the applicant has the ability to comply with the relevant provisions of the MHSA;
- the applicant is not in contravention of any provision of the MPRDA; and
- the grant of the right will further the objectives set out in sections 2(d) and (f) and in accordance with the charter contemplated in section 100 of the MPRDA and the prescribed SLP.

Protection of ownership of mining assets and relevant rights

A prospecting right or a mining right which has been registered at the South African Mining and Petroleum Titles Registration Office ("MPTRO") is considered to be a "limited real right" in respect of the mineral and land to which such right relates. The holder of a mining right has ownership of the mineral resources once the minerals have been severed from the land, which is enforceable against all third parties.

Security of tenure is listed among the objectives of the MPRDA. While the MPRDA does not expressly provide for the protection of ownership of mining assets, section 25 of the South African Constitution protects the right to property, including mine assets, by stipulating that no one may be deprived of property except in terms of a law of general application, and no law may permit arbitrary deprivation of property. Property may be expropriated only in terms of a law of general application, for a public purpose, or in the public interest, and subject to compensation. Therefore, although the State (including the Resources Minister) is empowered to expropriate land and rights in land, provision is made for payment of compensation. However, in 2018 an amendment to section 25 of the South African Constitution was proposed, which would permit the expropriation of land and property, without compensation, in order to address historical wrongs of land dispossession, as well as ensuring fair access to land and empowering the majority of South Africans. This proposed amendment has not been passed.

In terms of the MPRDA, where an application for a right relates to an area where another person holds a valid right in respect of the same mineral, then any such right applied for will not be accepted for processing.

Suspension or cancellation of mining rights

A prospecting or mining right may be suspended or cancelled by the DMRE if the holder contravenes the MPRDA or a term of the right or the relevant environmental authorization, or if the holder has submitted inaccurate, false or misleading information in applying for the right.

Before suspending or cancelling the right, the holder is notified of the reasons for the proposed suspension or cancellation and given directives as to how they may be remedied. The holder is given a reasonable opportunity to make representations as to why the permit or right should not be cancelled or suspended, and the Minister of Mineral Resources and Energy is required to consider such representations before making a determination. If the holder satisfies the Minister of Mineral Resources and Energy with its representations or if the Minister of Mineral Resources and Energy issues a directive which such holder has complied with and remedies the non-compliance, then the Minister of Mineral Resources and Energy has the discretion to lift the suspension on written notice.

In cases of operational non-compliance, the DMRE can direct the holder to take steps to remedy non-compliance or suspend the applicable mining right until compliance is achieved.

If an authorized person under the MPRDA, such as a regional manager, a mine inspector, or any other designated officers of the DMRE, discovers or suspects a contravention of the MPRDA or a term attaching to any mining or prospecting right, they can order the holder to take immediate rectifying steps to remedy the contravention, and, if the holder fails to do so, the authorized person may order that the relevant operations be suspended or terminated. The

DMRE's director-general must confirm or set aside such an order by an authorized person and notify the relevant holder thereof within 60 days after the issue of the order, failing which such order shall lapse.

Black Economic Empowerment

The objectives of the MPRDA include the following:

- promoting equitable access to South Africa's mineral and petroleum resources to all the people of South Africa (section 2(c) of the MPRDA);
- substantially and meaningfully expanding opportunities for historically disadvantaged persons, including women and communities, to enter and actively participate in the mineral and petroleum industries and to benefit from the exploitation of South Africa's mineral and petroleum resources (section 2(d) of the MPRDA); and
- promoting employment and advancing the social and economic welfare of all South Africans (section 2(f) of the MPRDA), (collectively, the "Transformation Objectives")

The Minister of Mineral Resources and Energy and the DMRE are required to exercise their administrative discretion under the MPRDA in a manner that ensures that the Transformation Objectives are fulfilled.

The MPRDA provides that the Minister of Mineral Resources and Energy must develop a "broad-based socio-economic charter" for the South African mining industry. The Mining Charter is a policy instrument, which supports the objects of sections 2(d) and (f) of the MPRDA. The first version of the Mining Charter was published in 2004 and there have been four revisions since, the most recent of which is the 2018 Mining Charter.

On April 4, 2018, the High Court of South Africa, Gauteng Provincial Division, Pretoria in Chamber of Mines of South Africa v the Minister of Mineral Resources and Energy and Another (case number 41661/ 2015) held that:

- once the Minister of Mineral Resources and Energy is satisfied that the grant of a mining right applied for will further the applicable objects of the MPRDA (relating to HDSA participation and beneficiation, and the promotion of employment and social and economic welfare of all South Africans), the mining right holder is not required to restore the percentage ownership continually, however, measured, controlled by HDSAs to the 26% target referred to in the mining charter published in the South African Government Gazette on August 13, 2004 (the "2004 Mining Charter") and the mining charter published in the South African Government Gazette on September 20, 2010 (the "2010 Mining Charter") where such percentage falls below 26%, unless such obligation is specified as an obligation in terms of the conditions stated in the right;
- the failure by a holder of a mining right or converted mining right to meet the requirements of the 2004 Mining Charter and the 2010 Mining Charter does not constitute a breach of a material term of the mining right entitling the Minister of Mineral Resources and Energy to cancel or suspend the mining right in terms of the MPRDA, nor does it constitute an offense under the MPRDA, unless an obligation to meet such a requirement is specified as an obligation in the terms attached to the granting of the mining right; and
- neither the 2004 Mining Charter nor the 2010 Mining Charter requires the holder of a mining right who has, subsequent to the grant of the right, fallen below the 26% HDSA ownership threshold to enter into further HDSA empowerment transactions to increase its HDSA ownership percentage.

The Minister of Mineral Resources and Energy appealed this decision by the High Court of South Africa, Gauteng Provincial Division, Pretoria but has subsequently withdrawn its appeal. The withdrawal of the appeal by the Minister of Mineral Resources and Energy means that the principles set out in the above are settled law until such time as there are further legislative changes or new matters are brought before the judiciary.

The mining charter published in the 2018 Mining Charter serves as a guideline for the framing, measurement and implementation of a mining company's contribution to the achievement of the objectives of sections 2(d) and 2(f) of the MPRDA. This guidance includes descriptions of what initiatives would qualify for recognition, the targeted impact, and the timeline for implementation, as well as the manner of measuring completion. As this guidance is a policy instrument, it does not give rise to any binding legal obligations. The notion that the 2018 Mining Charter is a policy document, as opposed to law, was confirmed by the High Court of South Africa in Minerals Council of South Africa vs Minister of Mineral Resources and 13 Others (case no.: 20341/19), as further described below.

For all applications for new mining rights, the 2018 Mining Charter requires a minimum of 30% HDSA ownership. The consequences of the holding that the 2018 Mining Charter is policy, as opposed to law, with respect to new applicants for mineral rights, remain to be seen. While the DMRE will not be able to enforce the policy as if it is law, it is likely that the mining industry will comply with the 2018 Mining Charter in respect of new applications for mineral rights (as it has done with previous Mining Charters). The implication of the finding that a Mining Charter is policy is that a policy may not be applied rigidly. However, the DMRE may attempt to incorporate provisions of the 2018 Mining Charter into the terms of an applicant's mining or prospecting right.

An application for a judicial review of the 2018 Mining Charter instituted by the Minerals Council against the Minister of Mineral Resources and Energy in the High Court of South Africa, Gauteng Provincial Division, Pretoria, was

commenced in early May 2020. On September 21, 2021, the High Court of South Africa in Minerals Council of South Africa vs Minister of Mineral Resources and 13 Others (case no.: 20341/19):

- held that a mining charter gazetted under section 100 of the MPRDA is a policy instrument rather than a binding and enforceable legal instrument. The High Court set aside several provisions of the 2018 Mining Charter, which were construed as if the 2018 Mining Charter was a legal instrument rather than a policy instrument; and
- set aside the provisions in the 2018 Mining Charter suggesting that new and further B-BBEE ownership transactions will need to be concluded at the point of renewal of a mining right.

There is currently uncertainty whether mining companies are, in addition to required compliance with the MPRDA, required to comply with the Broad-Based Black Economic Empowerment Act No. 53 of 2013 (as amended from time to time) ("B-BBEE Act") and the B-BBEE Amended Codes of Good Practice, as published by the Minister of Trade and Industry from time to time ("B-BBEE Codes"), which generally apply to other industries in South Africa. The MPRDA does not require mining companies to comply with the B-BBEE Act and the B-BBEE Codes.

Draft Mine Community Resettlement Guidelines, 2019 (the "Resettlement Guidelines")

The Resettlement Guidelines published on December 4, 2019, in draft form (and which currently still remains a draft policy document), apply to existing prospecting and mining rights where there has been incremental project expansion that will result in the displacement or resettlement of stakeholders such as landowners, lawful occupiers, holders of informal and communal land rights, mine communities and host communities. The Resettlement Guidelines require the rights holder to conduct stakeholder mapping to identify and profile stakeholders in a meaningful consultation process with a view to developing a resettlement plan (which includes a project description; impact analyses; costs and budgetary considerations and consultation mechanisms), an action plan (which includes the steps to be taken and resources required to achieve the goals in the resettlement plan) and a resettlement agreement (which includes the legal commitments by the holder in favor of stakeholders).

The Resettlement Guidelines prohibit the commencement of mining activity until a resettlement agreement is reached on compensation for the resettlement of stakeholders.

The Royalty Act

The Royalty Act imposes a royalty on the transfer of a mineral extracted from within South Africa unless a relevant exemption applies. Any holder of an exploration, prospecting, or mining right (or a lease or sublease in respect of such a right) or any other person who has recovered a mineral resource in South Africa must register in terms of the Mineral and Petroleum Resources Royalty (Administration) Act No. 29 of 2008 and must render the prescribed returns as concerns the royalty imposed by the Royalty Act.

Royalties imposed differ between refined minerals and unrefined minerals but in both instances are based on a percentage of gross sales, derived from a pre-determined formula measuring the ratio of earnings before interest and taxes ("EBIT") and gross sales in respect of the minerals multiplied by a pre-determined number. EBIT and gross sales are defined in the Royalty Act. Refined minerals attract a maximum royalty of 5% of the gross sales of the extractor and a minimum of 0.5% of gross sales if the EBIT is negative. Unrefined minerals attract a maximum royalty of 7% of the gross sales and a minimum of 0.5% of gross sales of the extractor if the EBIT is negative.

The Royalty Act allows a mining right holder to agree with the Minister of Finance in terms of a binding agreement that any amendment to the determination of the royalty percentage formulae will have no effect on the formulae applied by the mining right holder prior to this amendment in respect of all mining operations carried out for the resource for as long as the holder holds the right. The holder may withdraw from such binding agreement at any time.

Environmental regulations

Section 24 of the South African Constitution compels the South African government to make legislation and to take other measures to protect the environment, prevent pollution and ecological degradation, promote conservation, and secure sustainable development in South Africa.

The "One Environment System" is South Africa's environmental authorization regime, which was implemented on December 8, 2014. This regime was introduced to streamline the regulation of environmental matters in the mining and petroleum industries from the MPRDA to NEMA and other environmental statutes.

NEMA is the overarching legislation which gives effect to the environmental right protected in section 24 of the Constitution, which provides the underlying framework and principles underpinning the coordinated and integrated management of environmental activities. The legislative changes associated with the implementation of the One Environment System have streamlined the licensing processes for mining rights, environmental authorizations and water use licenses. For instance, the requirement to obtain an environmental management program or plan under the MPRDA has been removed and replaced by the requirement to obtain an environmental authorization under NEMA.

There is an array of national, provincial and local government legislation related to the environment which may also be applicable on a site specific basis including the National Environmental Management: Biodiversity Act, No. 10 of 2004, the National Water Act, No. 36 of 1998, the National Environmental Management: Waste Act, No. 59 of 2008 and local

government by-laws regarding matters such as water and sanitation, waste related practices, fire safety, generator use and storage of dangerous goods and hazardous products.

Environmental authorizations

An environmental authorization is required from the Minister of Mineral Resources and Energy under NEMA to commence a listed activity, including activities that require a prospecting right or mining right under the MPRDA, or the primary processing of minerals. Commencing such a listed activity without an environmental authorization is an offense under NEMA.

Applicants for environmental authorizations are required to follow a public participation process to enable meaningful consultation with all interested and affected parties, which include host communities. If such applicant does not own or occupy the land in question, it must obtain the consent of the landowner before it may make an application for environmental authorization in terms of recent amendments to the EIA Regulations, 2014. However, these amendments are arguably ultra vires.

In doing so, applicants must submit an environmental impact assessment report and an environmental management plan containing, among other things: information on the pre-mining environment; identification and quantification of any potential environmental, economic and social impacts; and providing appropriate mitigating measures to minimize any negative impacts caused by the mining operations and enhance any positive impacts.

The Environmental Minister remains the appeal authority in respect of any appeals against the issue of an environmental authorization.

Water use licenses

South Africa's water resources are regulated by the South African National Water Act No. 36 of 1998 (as amended from time to time) ("NWA"). A water-use license is required under the NWA to undertake one of the specified water uses in the NWA, subject to a number of exceptions. Water uses include, among others: the taking of water from a water resource, the diversion of watercourses, mine dewatering, discharge of wastewater, and the disposal of waste on land. Most mining operations require a water use license in order to conduct their operations, particularly for activities relating to water abstraction, storage, effluent discharge, diversions, and facilities that have the potential to pollute groundwater resources.

The Water and Sanitation Minister is responsible for issuing water use licenses and has issued regulations setting out the procedural requirements and steps for applications for water use licenses, as well as appeal processes for decisions taken. The regulations provide that security, in the form of a deed of suretyship, may have to be provided to the Department of Human Settlements, Water and Sanitation pursuant to a water use license application. Such security, where required, must be enforceable for a period of at least five years after the water use license activities have lapsed.

Mines are also required to comply with regulations, which were specifically published for the use of water for mining and related activities in the South African Government Gazette. The regulations provide for limitations on the location of mining infrastructure, requirements for separation of dirty and clean water systems, and the design of certain water management infrastructure.

Waste management licenses

The Minister of Mineral Resources and Energy issues waste management licenses in terms of South African National Environmental Management: Waste Act No. 59 of 2008 (as amended from time to time) ("NEMWA"), including in respect of the management of mine waste. A waste management license is required in order to undertake certain waste management activities that are listed in regulations published by the Environmental Minister. The Environmental Minister may, by notice in the South African Government Gazette, prohibit or restrict the granting of a waste management license by the licensing authority for a listed activity in a specified geographical area if deemed necessary to ensure the protection of the environment, conservation of resources, sustainable development or human health and well-being.

Under NEMWA, a waste management license is also required for the establishment or reclamation of residue stockpiles or residue deposits resulting from activities that require a prospecting right, mining permit, mining right, exploration right or production right. On June 11, 2021, the EIA Regulations, 2014 were amended, requiring that reclamation of residue stockpiles or residue deposits resulting from activities that require a prospecting right, mining permit, mining right, exploration right or production right require an environmental authorization. However, this activity has not yet commenced and will only commence when NEMWA has been amended by the enactment of the National Environmental Management Laws Amendment Act 2 of 2002, which remains pending.

One of the main objectives of National Environmental Management Laws Amendment Act 2 of 2002 is to address the incongruous treatment of residue stockpiles and residue deposits under the waste and landfill provisions by removing their regulation from the ambit of NEMWA and placing them under the regulation of NEMA.

As of May 2014, NEMWA also regulates contaminated land, including land where the contamination arose before the commencement of NEMWA. Any land identified as an investigation area by the environmental authorities, or which a

landowner notifies as contaminated to the environmental authorities, is to be assessed and reported. A directive or remediation order may be issued by the environmental authorities requiring the remediation of the site following such assessment and report, depending on the level of risk associated with the contamination.

Atmospheric emissions licenses

An atmospheric emissions license is required in terms of the South African National Environmental Management: Air Quality Act No. 39 of 2004 (as amended from time to time) ("NEMAQA") to undertake listed activities, including certain mining-related and processing activities. NEMAQA requires the Environmental Minister to establish a national framework for achieving the objectives of NEMAQA, which must include, among other things, minimum emission standards and norms and standards. Local government is entrusted with the competence to manage air pollution, with municipalities being the licensing authority for purposes of issuing atmospheric emissions licenses.

The measurement and monitoring of atmospheric emissions are regulated through various tools, such as: the air dispersion modelling framework, the declaration of priority pollutants and pollutant areas, and the mandatory reporting of data and information from identified point, non-point, and mobile sources of atmospheric emissions to the National Air Emission Inventory System. The DFFE's declaration of greenhouse gases as priority air pollutants in 2017 has been followed by the imposition of a regulatory framework for greenhouse gas emission reporting, which forms the basis and input for the imposition of the carbon tax, which commenced on June 1, 2019.

The Carbon Tax Act, which took effect on June 1, 2019, introduces a carbon tax on identified affected sectors on the basis of their greenhouse gas emission concentrations as a controlled climate change mitigation measure. The Group did not incur any carbon tax liability in the year ended December 31, 2022, and the Company does not expect that the Group will have any carbon tax liability for the year ended December 31, 2023

Under the Carbon Tax Act, a person is liable to pay carbon tax if that person conducts an activity in South Africa resulting in greenhouse gas emissions equal to or above the defined threshold. A detailed list of activities and sectors, as well as their capacity thresholds and applicable allowances are set out in a schedule to the Carbon Tax Act. Activities carried out at the Group's operations may fall within a number of these categories.

Carbon tax is being introduced in a phased manner, with the first phase initially meant to run until December 31, 2022. The first phase of the carbon tax has been extended by three years for the period January 1, 2023 to December 31, 2025. The Carbon Tax Act imposed a carbon tax of ZAR120 per tonne of CO2-eq of the greenhouse gas emissions of a taxpayer for the initial tax period from June 1, 2019 to December 31, 2019, which will increase annually at the consumer price index plus 2% until December 31, 2022.

The carbon tax rate for the tax period January 1, 2022 to December 31, 2022 was ZAR144 per tonne of CO2 emissions and it has been increased to R159 per tonne of CO2 from January 1, 2023 for the 2023 tax period. The carbon tax rates will increase to R190 (2024 tax period), R236 (2025 tax period), R308 (2026 tax period), R347 (2027 tax period), R385 (2028 tax period), R424 (2029 tax period) and R462 (2030 tax period). Thereafter the Minister of Finance will announce any increases in the carbon tax rates in the national annual budget. Carbon tax liability is calculated as the tax base (sum of greenhouse gas emissions from combustion, industrial processes and fugitive emissions in accordance with a reporting methodology approved by the DFFE, proportionately reduced by certain tax-free allowances) multiplied by the rate of the carbon tax.

To prepare South Africa for the structural transition to a climate-resilient economy, government proposes to progressively increase the carbon price, which is presently R159 per tonne CO2e emissions in for the 2023 tax period shall increase to R190 (2024 tax period), R236 (2025 tax period), R308 (2026 tax period), R347 (2027 tax period), R385 (2028 tax period), R424 (2029 tax period) and R462 (2030 tax period). Thereafter the Minister of Finance will announce any increases in the carbon tax rates in the national annual budget.

However, a number of transitional tax-free allowances apply during the Carbon Tax Act's first phase of implementation, which aim to ensure a smooth transition to a low carbon economy. The first phase maximum percentages of each permissible allowance for each listed activity conducted are set out in a schedule to the Carbon Tax Act. The basic tax-free allowances will also be gradually reduced to strengthen the price signals under the carbon tax from January 1, 2026 to December 31, 2030. A paper will be published in 2023 on possible design options for the tax-free allowances for public comment and further stakeholder consultation.

The Carbon Offset Regulations issued under section 19 of the Carbon Tax Act, which took effect on June 1, 2019, provide the first material mechanism permitting companies to reduce their carbon tax liability (between 5% to 10% of their total greenhouse gas emissions) through investment in a carbon offset program. To encourage investments in carbon offset projects, the government intends to increase the carbon offset allowance by 5% from January 1, 2026. These and other proposals will form part of a review for the second phase, to inform future budget announcements. On June 19, 2020, the Minister of Finance finalized the next set of regulatory mechanisms applicable to the Carbon Tax Act, which include regulations governing trade exposure allowances, greenhouse gas emissions intensity benchmarks, and a notice regarding a renewable energy premium.

Historical and cultural heritage

Pursuant to the promulgation of the South African National Heritage Resources Act No. 25 of 1999 (as amended from time to time) ("NHRA"), the removal or demolition of any articles of historical or cultural importance requires a permit from the South Africa Heritage Resources Agency or relevant provincial authority, as the case may be. Burial grounds and graves are also protected under the NHRA, and a permit is required to destroy, alter or remove such articles.

National Environmental Management: Biodiversity Act

The South African National Environmental Management: Biodiversity Act 10 of 2004 (as amended from time to time) ("NEMBA") regulates the management and conservation of South Africa's biodiversity within the framework of NEMA and cooperative governance. The NEMBA provides for; among other things: (i) the protection of species and ecosystems that warrant national protection; (ii) giving effect to ratified international agreements relating to biodiversity that are binding on South Africa; (iii) the sustainable use of indigenous resources; (iv) the fair and equitable sharing of benefits arising from bioprospecting involving indigenous biological resources; and (v) the establishment of the South African Biodiversity Institute. Biodiversity is defined as the variability among living organisms from all sources, including terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are part, and also includes diversity within species, between species, and of ecosystems. Removal of listed threatened or protected species requires a permit pursuant to NEMBA and GNR.152 of February 23, 2007.

Financial Provisioning Regulations

Financial provisioning for the remediation of environmental damage is regulated in terms of section 24P of NEMA and the 2015 Financial Provisioning Regulations. Section 24P of NEMA provides that an applicant for an environmental authorization relating to prospecting, exploration, mining or production must, before the Environmental Minister issues the environmental authorization, comply with the prescribed financial provision for the rehabilitation, closure and ongoing post decommissioning management of negative environmental impacts. Therefore, companies undertaking mining activities must make financial provision for rehabilitation liabilities to the satisfaction of the DMRE, which may include the requirement for parent company or third-party guarantees to be provided. This means that the holder of a mining right must set aside financial provisioning for rehabilitation of the mining activities for concurrent rehabilitation, rehabilitation upon closure and the costs of managing latent and residual post-closure impacts.

Assessment under the 2015 Financial Provisioning Regulations, which are currently in force, have led to significantly increased closure costs and are likely to significantly increase the amount of financial provisioning required to be set aside by existing rights holders, compared with the financial provisioning requirements that were previously required under the MPRDA and determined in accordance with a guideline document published by the DMRE.

The timeline for existing mining rights holders to ensure that the amount of financial provisioning that is required to be set aside in terms of the 2015 Financial Provisioning Regulations was initially by February 19, 2019 but was then extended to February 19, 2020, and again to June 19, 2022, and has currently been extended to September 19, 2023.

The regulation of financial provisioning is currently in a state of uncertainty as the 2015 Financial Provisioning Regulations are expected to be replaced by a new set of regulations in the near future. A revised draft set of regulations were published in November 2017, 2019 and on August 27, 2021 but is yet to be finalized. Once the additional round of public consultations on the proposed Regulations Pertaining to Financial Provisions for the Rehabilitation and Remediation of Environmental Damage caused by Reconnaissance, Prospecting, Exploration, Mining or Production Operations, August 27, 2021 (the "2021 Financial Provisioning Regulations") have been concluded and the effective date has been confirmed, existing mining right holders will likely be obligated to significantly increase their financial provisioning due to the expanded requirement to provide a detailed itemization of all activities and costs, calculated based on the actual costs of implementation of the measures required for: (i) annual rehabilitation; (ii) final rehabilitation, decommissioning and closure; and (iii) remediation.

Some of the fundamental changes proposed by the 2021 Financial Provisioning Regulations include the imposition of criminal sanctions for financial institutions which fail to notify the various South African government ministries (being the DFFE, the DMRE and National Treasury) and the holder of a mining right, of an intention to cancel or withdraw financial guarantees provided for purposes of financial provisioning. Implications of a failure to notify under the 2021 Financial Provisioning Regulations introduce a penalty, upon conviction, of up to ZAR10 million and requires that costs for annual rehabilitation be provided for in the operating budget of applicants and holders of mining rights, rather than being able to be included in the separate financial provision vehicle methods.

In relation to mine closures and the issuance of closure certificates, miners currently have to comply with the requirements set out in section 43 of the MPRDA and its corresponding regulations, NEMA, and the 2015 Financial Provisioning Regulations. The 2019 Financial Provisioning Regulations will, in relation to mine closures, require the use of financial guarantees for post-closure obligations to remediate and manage residual and latent impacts with a provision for an automatic call up of such guarantees on the issuing of a closure certificate.

Environmental liability

As set out above, mining companies operating in South Africa are subject to extensive environmental laws and regulations.

In particular, NEMA imposes a duty of care on every person who causes, has caused or may cause significant pollution or degradation of the environment to take reasonable steps to prevent such pollution or degradation from occurring, continuing or recurring, or, insofar as such harm to the environment is authorized by law or cannot reasonably be avoided or stopped, to minimize and rectify such pollution or degradation (the "duty of care provision"). It is arguable that given the stringent requirements to comply, any breach of such duty is subject to strict liability.

A similar duty of care exists under the NWA where owners, controllers or occupiers of land on which an activity, or process, is or was performed that causes, has caused, or is likely to cause, the pollution of a water resource, must take all reasonable measures to prevent such pollution from occurring, continuing or recurring.

Contravention of NEMA and the NWA is an offense and an offender may be liable for significant penalties in the form of a fine and/ or imprisonment. Both NEMA and the NWA permit the DFFE or the Department of Water and Sanitation ("DWS") to issue administrative directives to persons to take reasonable measures to prevent pollution from occurring, continuing or recurring where such measures have not been taken. In addition, these authorities can order the suspension of part or all of a company's operations for non-compliance.

A person may be held liable under these duties of care for the pollution and/or environmental harm caused by it during mining operations, despite the mining activities having since ceased (with or without the issuance of a closure certificate under the MPRDA) or the mining operations having been sold or transferred to a third-party.

A person who was a director of the offending company at the time the offense under NEMA was committed may be held jointly and severally liable for any negative impact on the environment, whether advertently or inadvertently caused by the company which they represent, including damage, degradation or pollution. In order for liability to be established, the director in question must have been (i) the principal in control at the time of the commission of the offense; (ii) an accomplice (if the director was party to the offense committed by the company or its employees); (iii) a co-conspirator (if it is alleged that the director was party to a conspiracy to commit an offense); or (iv) cited as a party to the proceedings where the company is found to have committed an offense, and the director failing to discharge the onus that they took reasonable measures to prevent or mitigate the offense.

If a company receives a directive ordering it to take reasonable measures to prevent pollution or to rectify or minimize pollution or degradation and fails to take such measures, the authority may recover the cost of implementing the measures from, among others, any person who directly or indirectly contributed to the pollution or degradation, or negligently failed to prevent the pollution. Directors may be cited as

jointly and severally liable for such claims in the event that they meet the requirements for associated liability (any person responsible for, or who directly or indirectly contributed to the pollution) with the amount being apportioned according to the degree to which each party was responsible for the pollution.

NEMA does not expressly provide for shareholder liability. However, there is a possibility that a shareholder may be deemed to be liable where it exercises a sufficient degree of control over the company to satisfy the test of "control", i.e., shareholders who exercise sufficient control over a company so as to influence the manner in which it is managed may be in a position where they are exposed to statutory liability under NEMA. There is no legal precedent in South Africa to support this interpretation as there have been no reported judgments in South Africa where a court has been asked to deal with the issue of shareholders' liability under environmental law. However, various foreign jurisdictions have, to varying degrees, imputed environmental liability to a shareholder who exercises sufficient control over the company so as to influence the manner in which it is managed. In these jurisdictions, the question of whether a shareholder exercises sufficient control over a company is a question of fact that must be determined on a case-by-case basis.

Lastly, NEMA facilitates private prosecution by any person in a matter which relates to the protection of the environment or a breach or threatened breach of the environmental duty of care. The offenses are listed in NEMA, which range from the commencement of unauthorized activities, failure to comply with a condition in a license to operate, unlawful or intentional acts which lead to significant pollution and failure to comply with compliance orders or directives. Under NEMA, any person may initiate the prosecution of an entity, its directors or employees in their personal capacity. The person initiating prosecution does not require the public prosecutor's permission and does not need to provide security for such action. The accused on conviction may be ordered to pay the costs of the prosecution.

Occupational health and safety regulation of the mining industry

The occupational health and safety of all employees in the mining industry is governed by both legislation and common law. The common law plays an important role in that it encompasses principles relating to contractual, delictual (i.e., tortious), and criminal liability.

The MHSA, together with its regulations and the regulations to the now-repealed Minerals Act (which remains in force in terms of schedule 4 of the MHSA), is the primary legislative regime governing occupational health and safety at mines.

An important objective of the MHSA is to protect the health and safety of all persons at, and who may be affected by, the operation of activities at mines. Therefore, the MHSA is not merely concerned with the health and safety of persons directly employed by the holder of the mining right. An employer, being a holder of a mining right, is obliged to protect as far as reasonably practicable, the health and safety of non- employees (such as visitors to a mine or persons in the vicinity that may be affected by the operations at the mine) and employees of independent contractors and all other persons performing work at a mine, irrespective of the type of work being conducted.

The MHSA imposes obligations on an employer to ensure, as far as reasonably practicable, that the mine is designed, constructed and equipped to provide conditions for safe operation and a healthy working environment and to maintain a healthy and safe mine environment. An employer must staff the mine with due regard to health and safety by appointing competent and experienced managerial and supervisory personnel and ensure an adequate supply of health and safety equipment.

The employer must establish a health and safety policy, prepare and implement mandatory codes of practice, and provide health and safety training.

The employer must also assess and respond to risk. This includes identifying hazards to health and safety at mining operations, assessing the risks posed by the operations and determining measures to eliminate, control or minimize such risks.

The employer is required to establish a system of medical surveillance, conduct occupational hygiene measurements, keep records of medical surveillance and medical examinations of current and former employees, and complete and submit various ad hoc, quarterly and annual reports to the relevant inspectorate, including an annual medical report.

The Mine Health and Safety Inspectorate, with the duty to enforce the MHSA and conduct investigations and inquiries into work-related injuries, fatalities and dangerous occurrences ("MHSI") enforces the MHSA and conducts investigations and inquiries into work-related injuries, fatalities and dangerous occurrences. The MHSI also plays an important role in the promotion of health and safety at mines.

Should employers or employees fail to comply with their MHSA obligations, the MHSI may issue instructions to comply with the regulations or to halt all or part of the mines' operations if they believe an occurrence, practice or condition at a mine endangers or may endanger the health or safety of any person at the mine.

The MHSI may also instruct employers to take actions to address a condition that may have exposed persons to risks of injury or disease.

The Chief Inspector of Mines may suspend or cancel certificates of competency issued in terms of the MHSA if the holder of that certificate is guilty of gross negligence or misconduct or has not complied with the MHSA

A Principal Inspector of Mines could also issue a company with an administrative fine for contraventions of the MHSA in terms of section 55B of the MHSA. The maximum amount that can be imposed for each contravention of the MHSA is ZAR1 million per contravention.

Finally, a Principal Inspector of Mines may recommend prosecution to the National Director of Public Prosecutions if satisfied that there is sufficient admissible evidence that an offense has been committed. Any person convicted of an offense in terms of the MHSA may be sentenced to a fine or imprisonment as may be prescribed.

The Group's operations must ensure that: (i) the correct legal appointments are made; (ii) all third-party contractors on the operations are well equipped and have the requisite knowledge and competence with regards to health and safety and the MHSA; and (iii) the contracts between the Group's operations and the third-party contractors make sufficient provision and warranties for health and safety on site.

Expropriation legislation

Restitution of Land Rights Act

The South African Restitution of Land Rights Act No. 22 of 1994 (as amended from time to time) ("Restitution of Land Rights Act") provides for the restitution of rights in land to persons or communities who were dispossessed of such rights as a result of past racially discriminatory laws or practices subsequent to June 19, 1913. Claims under the Restitution of Land Rights Act initially had to be lodged by December 31, 1998. This period was reopened with the enactment of the South African Restitution of Land Rights Amendment Act No. 15 of 2014 (as amended from time to time) ("Restitution of Land Rights Amendment Act") which extended the cut-off date for the lodgement of claims to December 31, 2019. However, the South African Constitutional Court declared the Land Rights Amendment Act invalid, and the Land Claims Commission is prohibited from processing claims lodged after the Land Rights Amendment Act became operational on July 1, 2014, until all claims lodged prior to December 31, 1998, have been finalized.

The Restitution of Land Rights Act establishes that the SA Land Claims Court may order: (i) the restoration of land or any portion of land to a claimant (provided the court deems it feasible and practical to do so); (ii) the State to grant a claimant an appropriate right in alternative State-owned land; (iii) the State to pay compensation to a claimant; (iv) the South African Government to include the claimant as a beneficiary of a South African Government supported program for housing or the allocation and development of rural land; or (v) the State to grant the claimant any alternative relief.

Case law indicates that a person cannot claim the restitution of a mineral or mining right under the Restitution of Land Rights Act. Accordingly, an order for restoration of land does not result in the restoration of mineral rights or entitle the claimant to interfere with the mineral or mining rights in the land. Therefore, if land is being actively mined in terms of a mining right, it is less likely that the land will be restored to the claimant, in which case the claimant will receive financial compensation. A landowner cannot be compelled to grant rights in land or compensation to any successful claimants. Any restitution claim lies against the South African Government, and any form of restitution (restoration or equitable redress) must be granted by the South African Government.

Where restitution is granted in the form of restoration of rights in land, the State is required to compensate the owner of the land in accordance with the fair value of the land. Although the existing expropriation laws do not allow for expropriation of land for restitution purposes (the Expropriation Act allows for expropriation for public purposes only), the South African Expropriation Bill 2019 (the "Expropriation Bill") allows for expropriation, not only for public purposes, but also if it is in the public interest, which includes South Africa's commitment to land reform, and reforms that will bring about equitable access to all of South Africa's resources. Therefore, should the Expropriation Bill be enacted, the current position may change, and land restitution may take the form of expropriation, in which case the Expropriation Bill allows for compensation to the owner based on just and equitable factors and not merely the value of the land and could, if it is just and equitable to do so, result in expropriation without compensation.

A multi-party ad hoc parliamentary committee was constituted to consider possible amendments to the provisions of section 25 of the South African Constitution. The committee adopted Draft Constitution Eighteenth Amendment Bill, 2019, as revised (the "Draft 18th Amendment"), which sought to amend section 25 of the South African Constitution so as to provide explicitly that an amount of nil compensation is a legitimate option for the purposes of expropriation aimed at land reform and, more specifically, to empower South Africans to be productive participants in land ownership, food security and agricultural reform programs. The Draft 18th Amendment was tabled for adoption on September 8, 2021, in the National Assembly but failed to garner the required two-thirds majority to pass on December 7, 2021. The bill, therefore, lapsed, and the proposed amendment has not been passed by the National Assembly.

Expropriation without compensation will only be permitted by an order of court, and the Draft 18th Amendment contemplates that national legislation must be enacted to prescribe the circumstances under which a court may make an order to that effect. The current politics suggest that the ANC is unlikely to obtain the two-thirds majority that it requires for the Draft 18th Amendment to be passed. The ANC seems more likely to pursue the achievement of its ends through the Expropriation Bill.

The Expropriation Act

Expropriation is the act of taking possession of property (which as per the South African Constitution and case law is not restricted to land and may include limited real rights in land) from its owner in exchange for compensation, irrespective of the wishes of the original owner. The South African Expropriation Act No. 63 of 1975 (as amended from time to time) (the "Expropriation Act") provides for the Minister of Public Works and Infrastructure, subject to an obligation to pay compensation, to expropriate any property for public purposes or take the right to use temporarily any property for public purposes, for example, road widening purposes or for municipal services.

In terms of the Expropriation Act, compensation is based on the value of the property. However, in terms of the Expropriation Bill, compensation is based on just and equitable factors and a property may therefore be expropriated for nil compensation, where it is just and equitable to do so, having regard to all relevant circumstances, including but not limited to, where the:

- land is occupied or used by a Labour Tenant;
- land is held for purely speculative purposes;

- land is owned by a State-owned corporation or State-owned entity;
- owner of the land has abandoned the land; and
- market value of the land is equivalent to, or less than, the present value of direct South African Government investment or subsidy in the acquisition and beneficial capital improvement of the land.

The Expropriation Bill was adopted in the National Assembly in September 2022 and referred to the National Council of Provinces, which reopened the Bill for public comment until March 6, 2023. If adopted by the National Council of Provinces, the Bill will be forwarded for signature by the State President. During the public participation processes in respect of the Expropriation Bill, numerous stakeholders objected to some of the more controversial compensation provisions, and the majority of the opposition parties in the National assembly voted against the adoption of the Expropriation Bill. Some stakeholders have indicated that they intend to bring court applications to declare some provisions of the Expropriation Bill to be unconstitutional.

It is, therefore, unlikely that the Expropriation Bill in its current form will be promulgated within the near future. If court action is taken, the process to promulgate the Expropriation Bill will most likely be delayed by several months or even years. Therefore, expropriation in South Africa is currently being regulated in terms of the Expropriation Act.

Labour-related legislation

Employment in South Africa is regulated by the law of contract and by legislation. There is a body of legislation providing minimum protection for employees out of which employers and employees cannot contract. This legislation is found in a number of acts that regulate, among others, maximum hours of work, rates applicable to work performed overtime, minimum periods of leave, notice of termination, organizational rights in respect of trade unions, strike law, rights and responsibilities of employers and workers in the event of retrenchments, insolvency and transfers of businesses, protection from unfair dismissal and the prohibition of unfair discrimination. Below is a succinct overview of the relevant legislation and its purpose.

Labour Relations Act

The Labour Relations Act No. 66 of 1995 (as amended from time to time) (the "Labour Relations Act") is the primary labour law statute in South Africa. It gives effect to section 23 of the South African Constitution, being the right to fair labour practices, it: (i) regulates the organizational rights of trade unions; (ii) promotes and facilitates collective bargaining at the workplace and at sectoral level; (iii) regulates the right to strike and the recourse to lock-out in conformity with the South African Constitution; (iv) promotes employee participation in decision-making through the establishment of workplace forums; (v) provides simple procedures for the resolution of labour disputes through statutory conciliation, mediation and arbitration and through independent alternative dispute resolution services accredited for that purpose; and (vi) regulates the employment-related consequences of a transfer of a business or a part thereof as a going concern.

Basic Conditions of Employment Act

The South African Basic Conditions of Employment Act No. 75 of 1997 (as amended from time to time) ("BCEA") applies to all employees and employers in South Africa and ensures that the minimum acceptable conditions of employment are implemented by employers and regulates other working conditions such as working hours, leave, termination, severance pay and deductions from remuneration. It also regulates the variation of basic conditions of employment.

According to section 10(2) of the BCEA, it is mandatory to make overtime payment to an employee whose earnings do not exceed the threshold of ZAR 241,110.59 per annum and works overtime. The BCEA, however, excludes certain employees earning more than the prescribed threshold from the application of the aforementioned provision in section 10(2) of the BCEA and certain other sections of the BCEA. Employees in those excluded categories who work overtime are instead compensated at the normal rate or wage for the extra hours worked. Customarily in the mining industry, terms and conditions of employment are governed by collective agreements. Accordingly, the BCEA would not be applicable to those employees whose terms and conditions of employment are governed by a collective agreement. To the extent that terms and conditions are not governed by collective agreements, the BCEA will apply to these employees.

National Minimum Wage Act

On January 1, 2019, the NMWA came into force and established minimum hourly wage rates for workers. The prescribed minimum rates depend on the type of worker. Failure to comply with the NMWA may lead to the imposition of fines on employers. An exemption process has been established for employers who cannot afford to comply with the prescribed minimum rates. Customarily in the mining industry, wages are governed by wage agreements and the provisions of the NMWA would only be applicable to these employees if the wage agreement provides a minimum wage that is less favorable than the prescribed national minimum wage.

Employment Equity Act

The EEA is intended to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination and by implementing affirmative action measures to redress disadvantages in employment experienced by people of designated groups. If an employer does not comply with affirmative action measures in terms of the EEA, a labour inspector may issue a compliance order to a designated employer if the employer has refused to give a written undertaking or failed to comply with a written undertaking in respect of compliance with such affirmative action measures. For greater enforcement prospects, the director-general may apply to the Labour Court of South Africa to have the compliance order made an order of court. Non-compliance with such court order may result in a fine of up to ZAR2.7 million or up to 10% of the revenue of the employer, depending on the number of contraventions by the employer in a specified period.

Unemployment Insurance Act

The Unemployment Insurance Act established the Unemployment Insurance Fund ("UIF") which provides for the payment of benefits to certain employees in certain express circumstances, such as unemployment, maternity leave, parental leave, adoption leave, commissioning parental leave, illness and reduced work time.

The Unemployment Insurance Contributions Act 4 of 2002 regulates the payment of contributions to the UIF. Employers are required to pay an amount equivalent to 2% of the employee's monthly remuneration to the UIF, made up of 1% of the employee's contribution (deducted from the employee's remuneration) and 1% of the employer's contribution (not deducted from the employee's remuneration). With effect from June 1, 2021, the remuneration threshold for the calculation of the contribution to be made to the UIF is ZAR17 712.00 per month. This means that the monthly contribution is capped at ZAR177.12 per month, for the employer and employee, respectively. In respect of learners undergoing learnership training in terms of the Skills Development Act (as defined and more fully discussed below), at the completion of the learnership contract, and provided that they are subsequently employed, the employer would be required to contribute to the UIF on their behalf and to deduct their contribution from their remuneration.

Pension funds and medical schemes

All retirement funds (other than certain statutory or public service funds) and medical schemes must be registered in terms of the South African Pension Funds Act No. 24 of 1956, or the South African Medical Schemes Act No. 131 of 1998. Only registered pension and medical aid funds may conduct business in South Africa; otherwise, it is not possible for a South African employer to provide a pension or medical plan under its own administration, and employers who do offer pension or medical plans to employees (this is not a compulsory requirement) are required to subscribe to be registered retirement funds or medical schemes for that purpose, or to register as retirement funds or medical schemes.

Skills Development Act

The Skills Development Act No. 97 of 1998 aims to develop the skills of the South African workforce. Sector Education and Training Authorities have been established in terms of the Skills Development Act, with the task of contributing to the improvement of skills in South Africa, thereby establishing "learnerships", to improve workplace skills plans, allocate grants and monitor education and training in the sector, and to collect and disburse skills development levies. Training is financed by a levy equivalent to 1% of each employer's payroll, which is levied in terms of the Skills Development Levies Act No. 9 of 1999. All employers are required to budget for such levy, which cannot be deducted from workers' pay.

Immigration Act

The South African Immigration Act No. 13 of 2002 (as amended from time to time) ("Immigration Act") prohibits foreign nationals from being employed in South Africa without being in possession of a valid work permit obtained from the Department of Home Affairs. Currently, there is no limitation under South African law on the number of foreign employees that a South African company may employ. However, each foreign employee is required to obtain a work permit to live and work in South Africa. It is important to note that the Employment Services Act No. 4 of 2014 provides that the Minister of Employment and Labour may, after consulting the Employment Services Board established in terms of this Act, make regulations to facilitate the employment of foreign nationals, which regulations may include, inter alia, measures requiring employers to satisfy themselves that there are no other persons in South Africa with suitable skills to fill a vacancy, prior to recruiting a foreign national, and requiring the employer to prepare a skills transfer plan in respect of any position in which a foreign national is employed. The Minister of Employment and Labour published Draft Regulation on the Employment of Foreign Nationals on December 28, 2018. The Draft Regulations are not yet effective.

Occupational Health and Safety Act

The South African Occupational Health and Safety Act No. 85 of 1993 (as amended from time to time) ("OHSA") sets out the minimum rights and duties of employers and employees to maintain, as far as reasonably practicable, a healthy and safe working environment. The OHSA does not apply to mines (unless specifically directed by the Labour Minister), which are regulated by the MHSA detailed above. Where the Group operates or manages workplaces that fall outside of the MHSA (such as its non-mining operations or workplaces), the OHSA applies, and the employer is required to discharge the duties as set out in the OHSA. The OHSA contains similar duties as those prescribed in the MHSA

relating to the identification, assessment and control of occupational health and safety risks, which are enforced by inspectors from the Department of Employment and Labour and who have similar powers in terms of the OHSA as inspectors under the MHSA. A notable distinction between the OHSA and the MHSA is that each employer remains responsible for the occupational health and safety of their own employees and where an employer has engaged contractors, the employer can enter into a contract with the contractor agreeing to the arrangements and procedures between them to ensure compliance by the contractor with the provisions of the OHSA. This has the effect of the employer contracting out of its obligations in respect of the employees of contractors.

Compensation for Occupational Injuries and Diseases Act

The Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 (as amended from time to time) ("COIDA") provides a system of "no-fault" compensation for employees who are injured or killed in accidents that arise out of, and in the course and scope of their employment, or who contract occupational diseases. Employers must be registered with the Compensation Commissioner, or approved Mutual Assurance, and pay all levies and amounts due to the fund.

In the event of an occupational injury or disease resulting in the disablement of an employee or the death of an employee, the employee or the dependents of such deceased employee (as the case may be) are prevented from recovering damages from the employer of the employee or deceased employee, but must follow the procedures in place in terms of COIDA. Accordingly, the aforementioned persons shall have no civil claim against the employer of the injured or deceased employee.

The employee or the dependents of the deceased employee, however, may lodge a claim with the Compensation Commissioner in terms of COIDA for increased compensation if the occupational injury or disease was due to the negligence of an employer or other persons stipulated in section 56 of COIDA.

The protection of employers under COIDA does not extend to a third-party contractor, and the employer may still be liable for any civil claims relating to occupational diseases and injuries contracted and sustained by a contractor's employees while working at the employer's operations.

Occupational Diseases Mines and Works Act

The South African Occupational Diseases Mines and Works Act No. 78 of 1973 (as amended from time to time) ("ODIMWA") applies to all "controlled mines" or "controlled works" or where "risk work" is performed at a mine or works. An indication as to whether a mine or works is governed by the provisions of ODIMWA, is the certification of the mine or works by a Risk Committee in terms of ODIMWA and the requirement to pay ODIMWA levies to the Compensation Commissioner for Occupational Diseases. ODIMWA provides for the payment of compensation for certain specified lung diseases contracted by employees (including contractor employees) at controlled mines or works. It must be noted, however, that if an employee contracts an occupational disease that is not compensable under ODIMWA (i.e., noise-induced hearing loss), such employee will have a claim under COIDA regardless of whether the mine or works is "controlled".

ODIMWA does not provide protection to an employer against liability for common law damages in respect of compensable diseases (as defined in ODIMWA). Accordingly, if an employee (including a contractor employee) contracts a compensable disease; such employee will be entitled to compensation under ODIMWA and may also institute a common law claim for damages against the employer for the balance of the employee's claim to the extent that the claim is not to be covered under ODIMWA. The owner of the controlled mine or works is responsible for paying ODIMWA levies in respect of all persons working at a mine or works, including contractors' employees.

Data protection legislation

Although the POPI was promulgated in 2013, it only came into effect fully on July 1, 2020. Organizations were afforded a one-year grace period within which to align their activities with POPI, which came to an end on July 1, 2021. With effect from this date, the responsible person (i.e., the Group) must ensure that it processes personal information in accordance with the principles contained in the POPI. The 'processing' of personal information refers to the manner in which a data subject's personal information is collected, received, recorded, collated, stored, updated or modified, retrieved, alter, used, transmitted or distributed, merged, linked, degraded, erased or destructed in South Africa. In addition, the POPI includes provisions relating to the processing of 'special personal information', which includes information concerning a data subjects religious or philosophical beliefs, race or ethnic origin, trade union membership, political persuasion, health or sex life, and criminal behaviour or biometric information. The POPI also prohibits the transfer of personal information outside of South Africa unless such transfers are permitted in terms of the authorized exceptions.

Management and Board Expertise

All of the Company's business is currently conducted in South Africa. The majority of the Company's officers have experience conducting business in markets in South Africa. Moreover, the Company's officers frequently review relevant materials created by its South African legal counsel and communicate with South African legal counsel, the officers of the Company's subsidiaries, and local consulting staff whereby they are apprised of new developments in the legal regime and new requirements that come into force from time to time such that management is kept aware of

relevant material developments in South Africa as they pertain to and affect the Company's business and operations. Any material developments are to be discussed with the directors at the board level. Additionally, directors and officers of the Company will attend seminars and presentations from time to time provided by legal and accounting firms on developments in South Africa. The directors and officers also work closely with the Company's South African counsel and local consulting staff to understand and subsequently adjust firm strategies and practices in connection with changes in South African laws and regulatory regimes. Biographical details for certain of the Company's directors and executive officers are set out below.

Lumkile Mondi, who has served as a director since 2021, is a Senior Advisor to the Pallinghurst Partnership and a member of the Pallinghurst Group's Senior Advisory Panel. In addition, he serves as a director for a number of the Pallinghurst Group's investments and is a member of the Audit Committee of Gemfields Limited. For more than a decade, Dr. Mondi was the Chief Economist for Africa's leading development finance institution. Dr. Mondi has more than 30 years or experience as a chief economist, scholar and senior business executive. While his main focus has been on economics, he also has more than two decades of experience as an executive and non-executive director of natural resources companies, as well as renewable energy and infrastructure companies in Europe and Africa. He has specific expertise of ESG and the implementation of best standards of governance. Dr. Mondi has also served on the Economic Advisory Panel for two South African Presidents, providing input to the country's economic policy. He is a fellow of the African Leadership Initiative (an Aspen Institute Initiative). Dr. Mondi holds a BCom in Economics and Law and a BCom in Economics from University of the Witwatersrand, South Africa. He also earned a MA in Economics from Eastern Illinois University, Charleston, USA. Dr. Mondi was also awarded a PhD in Economics from University of the Witwatersrand.

Erich Clarke is the Company's Chief Executive Officer and a director, which positions he has held since 2015 and 2017, respectively. Mr. Clarke is a chartered accountant who joined the Company in November 2014 as the Chief Financial Officer. Prior to joining the Company, Mr. Clarke worked at the Imperial / Eqstra group for 18 years, where he served as Chief Executive Officer of the Contract Mining and Plant Rental division and as the Chief Financial Officer of Eqstra Holdings Limited. Mr. Clarke has 33 years of experience in general management, finance, audit and risk management.

Elmarie Maritz is the Company's Chief Financial Officer, which position she has held since 2016. Mrs. Maritz is a chartered accountant who joined the Company in July 2010. Prior to joining the Company, Ms. Maritz spent two years at KPMG South Africa as a tax consultant. She later joined IFS, an internationally listed software company, where she was responsible for financial control in a region comprising Africa, the Middle East and India from July 2001 to December 2007 and was a business consultant from January 2008 to June 2010. Mrs. Maritz began her career in the mining industry by offering business consulting services to BRC DiamondCore Ltd from January 2008 to June 2010, to Alliance Mining Corporation Ltd from January 2010 to April 2010 where she also served as acting chief financial officer, and to Central African Gold Plc from June 2010 to December 2010. Mrs. Maritz is a Chartered Accountant, CA (SA).

Casper Badenhorst is the Company's Chief Operating Officer, which position he has held since 2013. Mr. Badenhorst joined the Company in January 2010 as the General Manager of PPM. Prior to joining the Company, Mr. Badenhorst spent five years at Witkop Fluorspar Mine (Sallies) where, prior to his departure, he served as the General Manager. He also spent two years at Basil Read in Botswana managing a gold mining operation. Mr. Badenhorst has 33 years of experience in the fields of geology, mining and minerals extraction. Mr. Badenhorst holds a Bachelor of Technology degree in Geology from the Tshwane University of Technology in South Africa and he also completed a post graduate diploma in Mineral Resource Management at the University of the Free State in South Africa.

Christian L. Phephenyane is the Company's Executive in Corporate Affairs and Human Capital, which position he has held since 2016. Mr. Phephenyane is responsible for the Company's human resources business strategy. Prior to joining the Company, Mr. Phephenyane served as the human resources manager of Sallies Limited from January 2006 to March 2010 and of Loungefoam from January 2003 to May 2006. Mr. Phephenyane has more than 19 years of experience in human resources management across a variety of industries, including mining, manufacturing, construction and engineering. Mr. Phephenyane holds a bachelor's degree in Human Resources from Wits University in Johannesburg, South Africa.

Lael Bethlehem is the Company's Chief ESG Officer, which position she has held since December 2021. From May 2015 to December 2021, she served as a member of the Company's board of directors. From June 2013 to November 2021, Ms. Bethlehem was an Investment Executive at Hosken Consolidated Investment, where she specialized in inner city housing development and renewable energy investments, as well as the group's environmental and diversity reporting. She is a non-executive board member of the IDC, a shareholder of the Company. She previously chaired the Board Investment Committee and currently chairs the Board Risk Committee of IDC's board of directors. Ms. Bethlehem received a Bachelor of Arts in Political Studies and Industrial Sociology and a Master of Arts degree in Industrial Sociology from the University of Witwatersrand in Johannesburg, South Africa.

Julien Naginski is the Company's Chief Legal Officer, which position he has held since April 2022. Mr. Naginski served as Partner at Chammas & Marcheteau (Paris) from 2018 to 2022, as Counsel at McDermott Will & Emery (Paris) from 2016 to 2018, as Group General Counsel and Partner at Pallinghurst Advisors LLP (London) from 2010 to 2015 and as Group General Counsel, Compliance Officer, Anti-Money Laundering Officer, and Company Secretary at Tisbury

Capital Management LLP (London) from 2006 to 2010. Prior to this, Mr. Naginski was the International Legal Director and Company Secretary of Pinault Printemps Redoute "PPR" (Paris) (now Kering), from 1999 to 2006. Mr. Naginski serves on the Advisory Council of the World Association of Mining Lawyers. He holds a Bachelor of Arts degree from Columbia University, a Masters degree from The Fletcher School of Law and Diplomacy, and a Juris Doctor degree from Cornell Law School. He is admitted to the bars of England & Wales, New York and Paris.

Operations in South Africa

All of the Company's mining operations are housed in its subsidiaries and are located in South Africa. Certain of the senior officers and certain directors of such subsidiaries reside in South Africa and are also senior officers and/or directors of the Company, whilst other senior officers and directors of the Company visit South Africa on a regular basis. Taken together, this ensures that the Company maintains effective oversight of the operations of the Group in South Africa. The Group also relies on the expertise and advice of South African counsel in conducting the Group's business operations in accordance with local business culture and practices. In addition, the Group hires and engages local experts and professionals (i.e. legal, accounting and tax consultants) to advise the Group with respect to current and new regulations in respect of banking, financial and tax matters in South Africa.

The Company also arranges for meetings with management of its subsidiaries at each mining property, the Group's consultants and vendors, and other local officials and service providers, as deemed appropriate. Each of the Company's directors has or will be required to visit the Group's properties in South Africa, and attended corporate presentations outlining the Group's local activities, operations and applicable laws, among other matters. Additional visits by directors will also occur on an as needed basis.

Corporate Structure Controls

The risks of the corporate structure of the Company and its subsidiaries are risks that are typical and inherent for issuers who have material assets and property interests held indirectly through subsidiaries. See "Risk Factors - The Company's holding company structure makes us dependent on the operations of the Company's subsidiaries" and "Risk Factors - Risks related to the Company's business and the Company's industry" herein. As a result, the Company's business and operations in South Africa are exposed to various levels of political, economic and other risks and uncertainties, please see "Risk Factors – Risks Related to South Africa" herein.

Such risks are mitigated by the board exercising control over the entire corporate structure by having executive officers appointed to the boards of directors of the Company's subsidiaries, by the use of local experts (legal, accounting, tax and directors) and exercising controls over the use of cash, performing regular reviews of the consolidated books and records and frequent personal inspection and visits to the offices and project locations by the Company's key management on a regular basis.

The original minute books, corporate seal and corporate records of each of the Company's subsidiaries are kept at each subsidiary's respective registered office. The Company maintains at its head office a duplicate set of such corporate records for all of its subsidiaries.

Sedibelo has controls over access to cash, cash disbursements, appropriate authorization levels, and performing and reviewing bank reconciliations on a monthly and quarterly basis. Cash balances are provided weekly to the Company's management. Certain subsidiaries of the Company maintain various cash and investment accounts with South African banks and have extensive finance and treasury functions, based in South Africa, under the direction of the Company's Chief Financial Officer.

Enforcement of Legal Rights

The Company and its material subsidiaries are organized under the laws of jurisdictions outside of Canada. Given that the Company's material assets are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company, any judgments obtained by Canadian courts or Canadian securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises from the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

Mineral Rights

P-S-M Project

The P-S-M Project encompasses all of the Corporation's existing and planned mining activities on the Western Limb of the Bushveld Complex in South Africa, excluding the Kruidfontein Project (as defined herein). The Corporation holds 100% of the mineral rights to the P-S-M Project.

The following table summarizes certain information regarding the P-S-M Project's mineral rights and properties:

Asset	Mineral Rights and Properties	Minerals Included in NOMR/ NOPR	Holder of Mineral Rights	Interest Held	Status	License Expiration Date	License Area (ha)	Comments
Tuschenkomst Project (NOMR NW30/5/1/2/2/320MR)	A portion of Ptn 1 of the farm Rooderand 46JQ	PGMs, Au, Cu, Ni, Co and Cr	PPM	100%	Production	02/2038	439.7830	Section 102 to include a portion of Ptn 1 of the farm Rooderand 46JQ into the PPM – Tuschenkomst Project NOMR was executed on April 26, 2012.
Tuschenkomst Project (NOMR NW30/5/1/2/2/320MR)	Ptn 3 of the farm Rooderand 46JQ	PGMs, Au, Cu, Ni, Co, Cr and associated minerals	PPM	100%	Production	02/2038	.	The PPM – Tuschenkomst Project NOMR was executed on February 14, 2008, and registered with the Mineral and Petroleum Titles Registration Office (MPTRO) Pretoria on June 24, 2008.
Tuschenkomst Project (NOMR NW30/5/1/2/2/320MR)	RE of Ptn 1, Ptns 2, 3,4,6,9.13 and 15 of the farm Ruighoek 169JP	All minerals excluding Cr	PPM	100%	Production	02/2038		The PPM – Tuschenkomst Project NOMR was executed on February 14, 2008, and registered with the Mineral and Petroleum Titles Registration Office (MPTRO) Pretoria on June 24, 2008.
Tuschenkomst Project (NOMR NW30/5/1/2/2/320MR)	The farm Tuschenkomst 135JP	PGMs, Au, Cu, Ni, Co, and associated minerals, and Cr (Section 102)	PPM	100%	Production	02/2038		The PPM – Tuschenkomst Project NOMR was executed on February 14, 2008, and registered with the Mineral and Petroleum Titles Registration Office (MPTRO) Pretoria on June 24, 2008. A Section 102 to include Cr within the PPM – Tuschenkomst Project NOMR was executed on September 15, 2015 and registered with the MPTRO on November 15, 2015.
Tuschenkomst Project (NOMR NW30/5/1/2/2/320MR)	Ptn 1 and RE of the farm Witkleifontein 136JP	All minerals	PPM	100%	Production	02/2038		The PPM – Tuschenkomst Project NOMR was executed on February 14, 2008, and registered with the Mineral and Petroleum Titles Registration Office (MPTRO) Pretoria on June 24, 2008.
Tuschenkomst Project (NOMR NW30/5/1/2/2/320MR)	A portion of the farm Wilgespruit 2JQ	PGMs, Au, Cu, Ni, Co and Cr	PPM	100%	Production	02/2038		Section 102 to include a portion of the farm Wilgespruit 2JQ into the PPM – Tuschenkomst Project NOMR was executed on April 26, 2012.
Wilgespruit Project (NOMR NW30/5/1/2/2/333MR)	The remaining extent of the farm Wilgespruit 2JQ	PGMs, Au, Cu, Ni, Co and Cr	PPM	100%	Production	06/2038		Section 11(2) transfer of controlling interest in IBMR to PPM and cession of rights to PPM has been approved by the Minister. Registration with the MPTRO was submitted on 01 February 2021. The Amendment Cession was approved on March 4, 2022 and the Transfer Cession was approved on March 29, 2022.
Wilgespruit Project (NOMR NW30/5/1/2/2/333MR)	A portion of the farm Legkraal 45JQ	PGMs, Au, Cu, Ni, Co and Cr	PPM	100%	Production	06/2038		Section 11(2) transfer of controlling interest in IBMR to PPM and cession of rights to PPM has been approved by the Minister. Registration with the MPTRO was submitted on February 1, 2021. The Amendment Cession was

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Asset	Mineral Rights and Properties	Minerals Included in NOMR/ NOPR	Holder of Mineral Rights	Interest Held	Status	License Expiration Date	License Area (ha)	Comments
								approved on March 4, 2022 and the Transfer Cession was approved on March 29, 2022.
Wilgespruit Project (NOMR NW30/5/1/2/2/333MR)	A portion of the farm Koedoesfontein 42JQ	PGMs, Au, Cu, Ni, Co and Cr	PPM	100%	Production	06/2038		Section 11(2) transfer of controlling interest in IBMR to PPM and cession of rights to PPM has been approved by the Minister. Registration with the MPTRO was submitted on February 1, 2021. The Amendment Cession was approved on March 4, 2022 and the Transfer Cession was approved on March 29, 2022.
Magazynskraal Project (NOMR NW30/5/1/2/2/10029MR)	The farm Magazynskraal 3JQ	Pt, Ir, Ru, Rh, Os Au, Ag, Cu, Ni, Co, Cr	Richtrau	100%	Development	12/2045	2801.6647 ha	Right was executed on March 31, 2022 and is valid for 30 years from the date of grant (December 3, 2015 - December 3, 2045).

Notes:

Ptn portion

Rem remainder