

# NEWS RELEASE

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## IMPLATS ANNOUNCES BROAD-BASED BLACK ECONOMIC EMPOWERMENT TRANSACTION

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**Johannesburg, 20 May 2024** – Impala Platinum Holdings Limited (Implats) has concluded a series of agreements, paving the way to implement a meaningful broad-based black economic empowerment (B-BBEE) transaction at both its Impala Rustenburg and Impala Bafokeng assets.

The transaction will result in 13% B-BBEE ownership at both Impala Platinum Limited (Impala), which owns the Impala Rustenburg and Impala Refineries assets, and Impala Bafokeng through its wholly owned subsidiary, Impala Bafokeng Resources Proprietary Limited (IBR). Equity ownership in Impala and IBR will be via an employee share ownership trust, a community share ownership trust and a strategic empowerment consortium, with ownership of 4%, 4% and 5%, respectively. Implats has partnered with Siyanda Resources Proprietary Limited (Siyanda Resources), which will lead the participation of the strategic empowerment consortium. The three components of the transaction will be facilitated through loans provided by Impala and IBR, with dividend flow used to service interest and capital repayments.

Implats CEO, Nico Muller, said: *“We are pleased to announce the details of this empowerment transaction, which reaffirms our commitment to meaningful and sustainable economic empowerment across our operations and increases broad-based ownership in the PGM sector. The transaction demonstrates the Group’s confidence in our business, the PGM sector and South Africa. While the transaction was initially conceived as part of our commitments related to acquiring Impala Bafokeng, the intention was clearly focussed on enabling broad-based participation in the resulting entity — a stronger, longer-life and more sustainable Rustenburg asset base — and meaningful empowerment ownership in the Group’s South African mining, smelting and refining assets. This provides a solid foundation for sustainable and enduring benefits for the beneficiaries of the transaction and expands ownership across the South African PGM sector.”*

The empowerment transaction will comprise three components:

### **1. A community share ownership trust (CSOT)**

A CSOT has been established which, through its wholly owned CSOT Proprietary Limited (CSOT Co), will subscribe for 4% in both Impala and IBR. The CSOT will operate for the benefit of a broad range of beneficiaries from previously disadvantaged communities situated in the “host communities” identified and defined in the social and labour plans (SLPs) applicable to the Impala, Bafokeng Rasimone, Maseve and Styldrift mines. The trust will focus on education, skills and enterprise development, as well as community wellbeing and social and economic infrastructure, among others. The CSOT structure is “evergreen”. The trust is aimed at contributing to and facilitating economically sustainable mine-host communities beyond mining.

The CSOT will hold its interest in Impala and IBR through CSOT Co, and its subscription to the 4% shareholding will be funded by interest-free vendor loans from Impala and IBR. CSOT Co will pledge and cede its underlying Impala and IBR shares to Impala and IBR, respectively, as security for the loans.

The CSOT will be entitled to distribute 65% of its attributable annual dividends from Impala and IBR to the CSOT (and thus for the beneficiaries of the CSOT), with the remaining 35% used to service and pay down the interest-free vendor funding.

The CSOT is a broad-based ownership scheme as defined in B-BEEE legislation — the B-BBEE Codes of Good Practice, issued under the Broad-Based Black Economic Empowerment Act, No. 53 of 2003.

## **2. The IBR employee share ownership trust (IBR ESOT)**

Impala Bafokeng employees have chosen that the new 4% IBR ESOT be established, to replace the previously proposed Impala Bafokeng employee share ownership plan. The IBR ESOT will be open to all eligible permanent employees of IBR and volume contractors rendering services at the mines, who are employed for the duration of the dividend period.

The IBR ESOT will hold its interest in IBR through the wholly owned IBR ESOT Proprietary Limited (ESOT Co). The 4% share subscription will be funded by an interest-free vendor loan from IBR, and ESOT Co will pledge and cede its underlying IBR shares to IBR as security for the loan.

ESOT Co will be entitled to distribute 65% of its attributable annual dividends from IBR to the IBR ESOT (for the beneficiaries of the IBR ESOT), with the remaining 35% used to service the interest-free vendor funding. Qualifying employees will benefit from the dividends received by ESOT Co, subject to the terms of the rules of the IBR ESOT. The distributable amount payable to each beneficiary in any dividend period will be based on the aggregate amount available for distribution, the number of employees entitled to participate, and the period during which an employee is a qualifying beneficiary.

The IBR ESOT will operate as an employee share ownership programme as defined in B-BBEE legislation.

## **3. The introduction of the Bokamoso Consortium**

A strategic broad-based empowerment consortium, the Bokamoso Consortium, led by Siyanda Resources, will hold a 5% shareholding in both Impala and IBR. The Bokamoso Consortium, will subscribe for the 5% equity interest in the two assets through a special purpose investment vehicle, Bokamoso Rustenburg Proprietary Limited (to be renamed Bokamoso Rustenburg (RF) Proprietary Limited) (Bokamoso RF). This will be funded by a R100 million equity injection by the Bokamoso Consortium, and vendor funding for the remaining amount by way of preference shares issued by Bokamoso RF to Impala and IBR. The preference shares will be issued on commercial terms, with conditions typical for a funding structure of this nature.

Implats selected Siyanda Resources as the lead empowerment partner due to its demonstrable track record as a pre-eminent strategic empowerment partner in the PGM sector, the experience of its executive and operational leadership, its standing, reputation and depth of relationships in the broader Rustenburg community, and its proven ability to raise funding to meet its participation obligations.

After the implementation of the empowerment transaction, the shareholding in Impala and IBR will be held as follows:

- Impala Holdings Limited, a wholly owned subsidiary of Implats, will hold an 87% shareholding in Impala, together with the CSOT Co (4%), the pre-existing Impala ESOT (4%) and Bokamoso RF (5%)
- Impala Bafokeng, a wholly owned Implats subsidiary, will hold an 87% shareholding in IBR, together with the CSOT Co (4%), the ESOT Co (4%) and Bokamoso RF (5%).

The empowerment transaction is expected to be implemented on or about 30 June 2024, subject to the necessary approvals, to the extent required.

Ends

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**About Implats**

Impala Platinum Holding Limited (Implats) is a leading, fully integrated platinum group metals (PGMs) producer. Implats is structured around seven mining operations and Impala Refining Services, a toll-refining business. The Group's mining operations are located on the Bushveld Complex in South Africa, the Great Dyke in Zimbabwe — the two most significant PGM-bearing ore bodies in the world — and the Canadian Shield. Our mining operations include Impala Rustenburg, Impala Bafokeng, Marula, Two Rivers, Zimplats, Mimosa and Impala Canada.