MERAFE RESOURCES LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1987/003452/06)
JSE and A2X share code: MRF
ISIN: ZAE000060000
("**Merafe**" or the "**Company**")

FURTHER UPDATE REGARDING THE COMPANY'S CHROME OPERATIONS AND COMMENCEMENT OF CONSULTATION PROCESS IN TERMS OF SECTIONS 189 AND 189A OF THE LABOUR RELATIONS ACT

Shareholders of Merafe ("**Shareholders**") are referred to the announcements published on SENS on 3 February 2025, 25 April 2025 and 13 June 2025 regarding, *inter alia*, the:

- business review process initiated by the Company, through the Glencore Merafe Chrome Venture ("**Venture**"), in respect of its ferrochrome smelting business in response to the ongoing market challenges ("**Business Review Process**");
- decisions to suspend the Venture's smelting operations at the Boshoek and Wonderkop smelters from 1 May 2025 and 31 May 2025, respectively, following completion of the Business Review Process; and
- temporary suspension of operations at the Venture's Lion smelter to allow for scheduled annual maintenance and planned rebuilds.

Shareholders are hereby advised that whilst collaborative engagement with all relevant stakeholders continues to take place, the Venture has commenced with a consultation process in terms of sections 189 and 189A of the Labour Relations Act, No. 66 of 1995 ("**LRA**") with effect from today, 1 September 2025 ("**Consultation Process**").

The Consultation Process is as a result of the continuing economic pressures facing the South African ferrochrome industry and the lack of sustainable industry solutions that could alleviate the pressures in the near to medium term.

Prior to the commencement of the Consultation Process, the Venture maintained a transparent and inclusive approach, exploring all viable solutions to the ongoing challenges. The Venture will continue to engage in constructive dialogue, noting that the Consultation Process is not a foregone conclusion.

As part of the process outlined in the LRA, a notice was sent to all stakeholders, including recognised unions and affected employees, today, 1 September 2025, inviting meaningful engagement on all issues pertaining to the Consultation Process, including all possible alternatives (e.g. voluntary severance packages), appropriate mitigating measures and potential redeployment opportunities. All decisions will be made as part of the Consultation Process.

The Consultation Process will impact the Venture's Boshoek and Wonderkop smelters. In addition, the Venture's Lion smelter is currently being evaluated and may potentially see a reduction to half of its operating capacity. Streamlining opportunities within the mining division and at the Rustenburg and Lydenburg smelters, that have already been placed on care and maintenance, are also being investigated. Furthermore, Glencore, in its capacity as the current operator of the Venture's operations, is undertaking a restructuring exercise in relation to the head office and shared services functions.

Further updates will be issued as appropriate.

Sandton
1 September 2025

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