

Merafe Resources Limited

Remuneration Policy

Annexure A

Private & Confidential

LONG-TERM INCENTIVES – 2017

Share grants and options that vested in 2017 were as follows:

Chief Executive Officer

Share grants

Vesting date	Grant date	Number of shares	Exercise price	Rand value of shares	Performance conditions met
March 2017	March 2013	759 575	1,87	1 420 405	b
April 2017	April 2014	626 752	1,67	1 046 676	b
May 2017	May 2012	183 951	1,57	288 803	a
June 2017	June 2012	1 488 583	1,22	1 818 602	a
Total		**3 058 861**		**4 574 486**	

Share options

Vesting date	Grant date	Number of options	Issue price	Exercise price	Rand value of gain	Performance conditions met
March 2017	October 2010	5 309 546	1,36	1,72	1 911 436,56	a

Financial Director

Share grants

Vesting date	Grant date	Number of shares	Exercise price	Rand value of shares	Performance conditions met
March 2017	March 2013	166 600	1,87	311 542	b
April 2017	April 2014	136 182	1,67	227 424	b
May 2017	May 2012	70 754	1,57	111 084	a
Total		**373 536**		**650 050**	

Share options

Vesting date	Grant date	Number of options	Issue price	Exercise price	Rand value of gain	Performance conditions met
March 2017	March 2009	3 000 000	0,69	1,72	3 090 000,00	Not applicable as pre 2010

PERFORMANCE CONDITIONS

The performance conditions relating to share awards are set out below:

a – Performance conditions for shares granted before 2013

Condition	Type	Weighting %	Conditions met
Capacity growth	Non-market	25	√
Assets under management	Non-market	25	√
JSE SRI Index	Non-market	25	√

JSE Small Capitalisation Index and Mining Index	Non-market	25	√

b – Performance conditions for shares granted post 2013

Condition	Condition met
Single performance metric that requires Merafe's Total Shareholder Return ("TSR") to be in the top 3 of determined comparator group of 12 companies over a three-year period.	√

Top 3 of the peer

LONG-TERM INCENTIVES – 2016

Share grants and options that vested in 2016 were as follows:

Chief Executive Officer

Share Grants

Vesting date	Grant date	Number of shares	Exercise price	Rand value of shares	Performance conditions met
October 2016	October 2010	399 957	1,00	398 157	c
April 2016	April 2011	174 563	0,77	134 414	a
May 2016	May 2012	183 952	0,9	158 934	a
June 2016	June 2012	1 488 583	0,97	1 441 841	a
March 2016	March 2013	759 575	0,79	600 065	b
Total		**3 006 630**		**2 733 411**	

Financial Director

Share Grants

Vesting date	Grant date	Number of shares	Exercise price	Rand value of shares	Performance conditions met
April 2016	April 2011	90 192	0,77	69 448	a
May 2016	May 2012	70 754	0,864	61 131	a
March 2016	March 2013	166 600	0,79	131 614	b
Total				**262 193**	

a – Performance conditions for shares granted before 2013

Condition	Type	Weighting %	Conditions met
Capacity growth	Non-market	25	√
Assets under management	Non-market	25	√
JSE SRI Index	Non-market	25	√
JSE Small Capitalisation Index and Mining Index	Market	25	√

b – Performance conditions for shares granted post 2013

Condition	Condition met
Single performance metric that requires Merafe's Total Shareholder Return ("TSR") over a three year period.	√

c – Performance conditions for shares granted before 2013

Condition	Type	Weighting %	Conditions met
Capacity growth	Non-market	25	√
Assets under management	Non-market	25	√
JSE SRI Index	Non-market	25	√
JSE Small Capitalisation Index and Mining Index	Market	25	X

SHARE AWARDS OUTSTANDING AT 31 DECEMBER 2017

Share options and grants outstanding at 31 December 2017 in favour of directors and prescribed officers are as set out below:

	Issue date	Vesting date	Number of shares
Z Matlala	06 March 2013	06 March 2018	759 575
Z Matlala	01 April 2014	01 April 2018	626 752
Z Matlala	01 April 2014	01 April 2019	626 752
Z Matlala	01 April 2015	01 April 2018	850 548
Z Matlala	01 April 2015	01 April 2019	850 548
Z Matlala	01 April 2015	01 April 2020	850 548
Z Matlala	01 April 2016	01 April 2019	941 409
Z Matlala	01 April 2016	01 April 2020	941 409
Z Matlala	01 April 2016	01 April 2021	941 409
Z Matlala	01 April 2017	01 April 2020	460 433
Z Matlala	01 April 2017	01 April 2021	460 433
Z Matlala	01 April 2017	01 April 2022	460 433
			8 770 249

	Issue date	Vesting date	Number of shares
K Bissessor	06 March 2013	06 March 2018	166 600
K Bissessor	01 April 2014	01 April 2018	136 182
K Bissessor	01 April 2014	01 April 2019	136 182
K Bissessor	01 April 2015	01 April 2018	302 337
K Bissessor	01 April 2015	01 April 2019	302 337
K Bissessor	01 April 2015	01 April 2020	302 337
K Bissessor	01 April 2016	01 April 2019	334 634
K Bissessor	01 April 2016	01 April 2020	334 634
K Bissessor	01 April 2016	01 April 2021	334 634
K Bissessor	01 April 2017	01 April 2020	163 665
K Bissessor	01 April 2017	01 April 2021	163 665
K Bissessor	01 April 2017	01 April 2022	163 665
			2 840 872

Share grant allocations were implemented as follows, based on the VWAP of the previous day's trading:

	2017	2017	2017	2016	2016	2016
	% allocation of cost to company	Number of shares	Vesting period	% allocation of cost to company	Number of shares	Vesting period
Chief Executive Officer	**50%**	**1 381 299**	**1 April 2020** **1 April 2021** **1 April 2022**	50%	2 824 227	1 April 2019 1 April 2020 1 April 2021
Financial Director	**35%**	**490 995**	**1 April 2020** **1 April 2021** **1 April 2022**	35%	1 003 902	1 April 2019 1 April 2020 1 April 2021

Note: As per the Policy, 70% and 60% of the grants allocated are subject to performance conditions for the CEO and FD respectively, for both the 2016 and 2017 year.