



wesizwe
Towards a Sustainable Future

Integrated
Annual Report 2020





Our report preparation

Wesizwe Platinum Limited (the Company or Wesizwe) proudly presents its 2020 Integrated Annual Report (2020 IR), the eighth edition since commencing with the integrated reporting format. Wesizwe is creating a sustainable mining entity for its current and future shareholders.

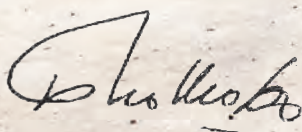
This 2020 IR covers the period 01 January 2020 to 31 December 2020 and endeavours to present a holistic and comprehensive account to all investor and other stakeholder groups, on progress achieved that is related to economic, environmental, and social elements. It provides information on Wesizwe's strategy, corporate governance that targets ethical culture, excellent performance, and effective control. The report covers Wesizwe Platinum Limited and all of its subsidiaries as shown structurally on page 17, and should be read with the Annual Financial Statements (AFS), accessible on our website www.wesizwe.co.za.

Critical to the 2020 IR is the intent to provide an overview and relevance of sustainability in the overall development strategy of the Company, with a specific focus on the full and balanced status of material aspects, and their relative impact and how those are managed.

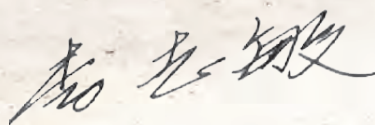
This approach is further enhanced by general guidance from South African mining industry approaches, adapted from industry advisory notes issued periodically by the Minerals Council of South Africa to the Company as an affiliate in good standing.

Directors' statement of accountability

The Board of Directors acknowledges its responsibility to ensure the integrity of the Integrated Annual Report for the 2020 financial year. The Board has accordingly applied its collective mind and, in its opinion, this report addresses all material matters, and offers a balanced view of the performance of the organisation and its impact on the environment and society. On the recommendation of the Audit and Risk Committee and the Social and Ethics Committee, the Board of Directors approved the 2020 Integrated Annual Report on 18 March 2021.



Dawn Mokhobo • Chairperson



Zhimin Li • Chief Executive Officer



Frameworks applied

The 2020 IR complies with the provisions of the South African Companies Act 71 of 2008 (Companies Act), the Johannesburg Stock Exchange (JSE) Listing Requirements, and the King IV Principles, all of which embody the Company's aspirations towards good corporate governance.

The Group AFS were prepared in accordance with International Financial Reporting Standards (IFRS). This report is guided by the Global Reporting Initiative (GRI) Standards as issued by the Global Sustainability Standards Board (GSSB), accessible from www.globalreporting.org/standards.



Assurance

An external assurance process has been utilised for a moderate assurance, prepared in accordance with the defined reporting criteria and free of material misstatements in respect of:

- the Company adherence to the AA 1000APS principles of inclusivity, materiality and responsiveness; and
- the selected Key Performance Indicators (KPIs) as listed under assurance objectives.

The assurance engagement was performed by a registered audit firm with the Independent Regulatory Board for Auditors (IRBA) and therefore justifies the use of ISAE 3000 as the assurance standard for non-financial information.

The Integrated Annual Report is available on: www.wesizwe.co.za

Contents

INTRODUCTION

Our report preparation	2
Directors' statement of accountability	2
Frameworks applied	3
Assurance	3
Corporate profile and history	4
Our business	4
Managing Covid-19	6
What we do – our ore body	9
Strategic and material issues	10
Our performance highlights	12

WESIZWE IN CONTEXT

Vision and values	16
Group structure	17
Our operating environment	18
Operating context and market	18
Our approach to sustainability	20
Risk management	21
Compliance management	24
Ethics and business conduct	26

OUR LEADERSHIP

Chairperson's overview	28
Chief Executive Officer's review	30
Our leadership	32

OUR PERFORMANCE

Financial capital	36
Built (Manufactured) capital	40
Natural capital	49
Social and Relationship capital	54
Human capital	63
Intellectual capital	75
Corporate governance report	75

ABRIDGED ANNUAL FINANCIAL STATEMENTS

Abridged consolidated statement of financial position	90
Abridged consolidated statement of profit or loss and other comprehensive income	91
Abridged consolidated statement of changes in equity	92
Abridged consolidated statement of cash flows	93
Notes to the abridged consolidated financial statements	94

Shareholders information

Shareholder register analysis	100
Notice of the Annual General Meeting	102
Form of proxy	111

ANNEXURES TO THE REPORT

Sustainability Limited Assurance Report	114
GRI G4 content index	117
Abbreviations and acronyms	122
Administration	ibc

HOW TO NAVIGATE THIS REPORT

To facilitate reading and navigating the report, we have incorporated the following symbols:



36 Financial Capital



40 Built (Manufactured) Capital



49 Natural Capital



54 Social and Relationship Capital



63 Human Capital



75 Intellectual Capital

Who we are

CORPORATE PROFILE

Wesizwe is a public company incorporated in the Republic of South Africa with its shares listed on the JSE.

Our intention is to enter into Platinum Group Metals (PGM) mining in South Africa as the launch pad for growing into a significant multi-commodity mining company that sets new benchmarks for sustainable mining practices.

The development of our new Bakubung Platinum Mine (BPM) has the sole purpose to access one of the last remaining sizeable and viable Merensky and Upper Group 2 (UG2) Chromitite layer PGM ore bodies.

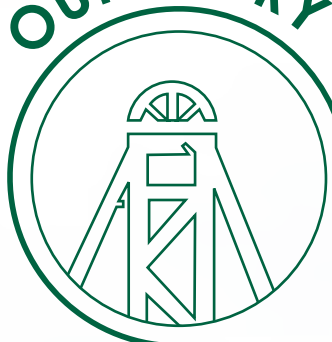
OUR BUSINESS

The base design parameters of the mine includes mine access through a twin vertical shaft system, comprised of a 7.5 m diameter Main shaft for personnel transport and material logistics, and 6.5 m diameter Ventilation and Services shaft. The mine will also sink 6 m diameter raisebore holes (1, 2 and 3) to 72L for added ventilation. The Main shaft is intended to have a hoisting capacity of 255 000 tpm of ore and 15 000 tpm of waste per month.

After a series of business reviews by the Company in response to the prevailing market and low pricing fundamentals, the Board resolved to revise the current mine plan resulting in the development of a 1 million tonnes per annum (mtpa) mine with an equivalent 1 mtpa processing plant (MF2) to treat the ore. The 1 mtpa capacity mine will be operated for a period of five years, from 2021 until 2026, after which it will be scaled-up to the base case 3 mtpa operation. After the Merensky Reef is depleted, the full 255 000 tpm will comprise UG2 ore only.

The Merensky Reef and the UG2 ore will be mined through semi-mechanised or hybrid methods using conventional methods on the face and mechanised ore-handling and development.

OUR STORY



OUR BUSINESS IS MAINLY FOCUSED ON:

HISTORICAL HIGHLIGHTS

2003 – 2010

- A feasibility study shows PGM resources over 350 koz pa, over a 30-year life of mine
- Completed a bankable feasibility study
- A term sheet with a Chinese consortium is signed

2011 – 2015

- Transaction with China Africa Jinchuan Investments Limited is concluded, with US\$227-million injected into the Group
- Wesizwe's core project is relaunched as the Bakubung Platinum Mine (BPM)
- Shaft sinking contract awarded
- First blast of the Ventilation shaft
- Main shaft pre-sink starts
- Main shaft slow sink begins – 345 m achieved by end December 2013
- Ventilation shaft headgear commissioned
- Ventilation shaft slow sink begins – 506 metres achieved by end December 2013
- US\$650-million facility entered into with the China Development Bank (CDB)
- 69 Level and 72 Level stations' development in the Ventilation shaft
- Intersected Merensky Reef
- Commenced the bulk sampling programme by collecting 300 tonnes of reef samples from both shafts
- Commenced the permanent water supply phase 1c infrastructure development
- Commenced the phase 2 power supply programme with Eskom and signed agreements with guarantees paid
- Process plant feasibility study review concluded
- Project optimisation plan finalised and approved by the Board
- Both shafts reached bottom; commencing with Main shaft equipping
- Commissioned 1.5-million litres per day capacity as part of permanent water supply to BPM
- Commenced waste development on multi-level through the Ventilation shaft
- Implemented the mine operational readiness plan
- Commenced with the process plant enquiry for the EPCM and front-end engineering (FEE)
- The two shafts were connected on 72 Level with ore loading box excavation completed

1. The successful development of BPM for the shareholders' benefit.

2. Ensuring value-add for our host communities.

2016 – 2019

- Shaft equipping progressed as scheduled
- Achieved zero fatalities
- Bulk services for a 50 ml water reservoir completed jointly with PTM Mine
- Bakubung electrical substation commissioned
- Extensive capital deferment on non-critical packages completed
- Continued with annual zero fatality record since the last incident in April 2015
- Completed Main shaft equipping
- Completed connections between Service shaft and Main shaft on all levels
- Commenced work on the permanent waste pass
- Completed connection between 77 Level and 81 Level
- Continued with annual zero fatality record since the last incident in April 2015
- Appointed the Capital Footprint Developer
- Main shaft licenced to transport personnel, material and rock
- Rock hoisting through Main shaft commenced
- Loading facility automation completed
- Completed 161-CV-001 surface conveyor from Main shaft headgear bin to transfer bin
- Successful negotiation of a three-year wage agreement with the labour union
- Revision of the new operating structure that supports the new business model (Survival Plan)
- Development and completion of Employee Workflow process in the Human Resources Information System
- Completed meaningful stakeholder consultations for the 2019 – 2023 SLP and submitted to the DMRE
- Negotiated new Social Housing Regulatory Agency grants terms and conditions for the development of 801 units from 2020 – 2023
- Maintained a harmonious relationship with all stakeholders
- Continued with annual zero fatality record since the last incident in April 2015
- Completed and undertook cold-commissioning of the installation of substation 69 and 72 Levels
- Appointment of the EPC and building contractors for the construction of the Process Plant
- Achieved 5 760 m development against a target of 6 166 m, representing 92% delivery against target
- Intersected Merensky Reef on 69 Level
- Underground blasting achieved 109 966 m³ against a target of 104 032 m³ representing a 106% performance



Managing Covid-19



The mining industry in South Africa has, apart from its economic woes, suffered significant further strain with the advent of the coronavirus. The country's dependence on mining exports and the nature of mining procedures, meant that production could not be stopped, putting at risk the high numbers of employees that work in the sector.

The introduction of measures, in line with compliance to new Covid-19 regulations, required the sector to ramp up its existing health and safety protocols, and hopefully prevent a potential significant spread.



Ms Audrey Kgokong - Our Site Secretary



Professional nursing staff



MINE EMPLOYEE EDUCATION

Fisha Wellness Hospital (Py) Ltd (Fisha), the service provider we appointed in April, led the employees information and advocacy program about Covid-19 and its isolation and quarantine protocols. An isolation facility was also secured to ensure we could isolate any employee who showed symptoms or tested positive.

These efforts became part of the BPM's daily routine as new employees had to ensure they went through the new Covid-19 induction programme. The education methods also included awareness of how to protect individuals and their families outside of the mine, and further extended into our local communities, contractors, visitors and other stakeholders.



SAFETY WHILE WORKING

We ensured that the spread of the virus was curtailed and did not manifest within the mine.

The goal was to ensure that we abide by our policy that people come first, regardless of whether they work for Wesizwe or not. Thus all World Health Organisation (WHO) recommendations were also applied, which along with the Court of Protection (COP) applications, meant Wesizwe had taken the most extreme of measures to help mitigate any spread of coronavirus.



BPM Covid -19 Committee



MEASURES IN PLAY

One of the first measures was to discontinue the use of a breathalyser, which is used for alcohol testing, and disabling of the biometric fingerprint on the clocking system. We introduced the mandatory wearing of masks at all times, and similarly undertook daily Covid-19 health screenings at the mine entrance. Sanitisation dispensers were installed in strategic areas throughout the BPM, and Covid-19 signage about protocols and mandatory safety procedures were erected on routes to the main mine entrance. Additional to the initial mass testing done in April/ May 2020, we conducted a second mass testing in November 2020 due to the increase in Covid-19 positive cases within the workplace and in South Africa generally.

We also introduced daily deep cleaning of as many working environments as possible, inclusive of transportation vehicles. The office environment was cleaned and sanitised regularly, including fogging to eliminate cross-contamination among employees.

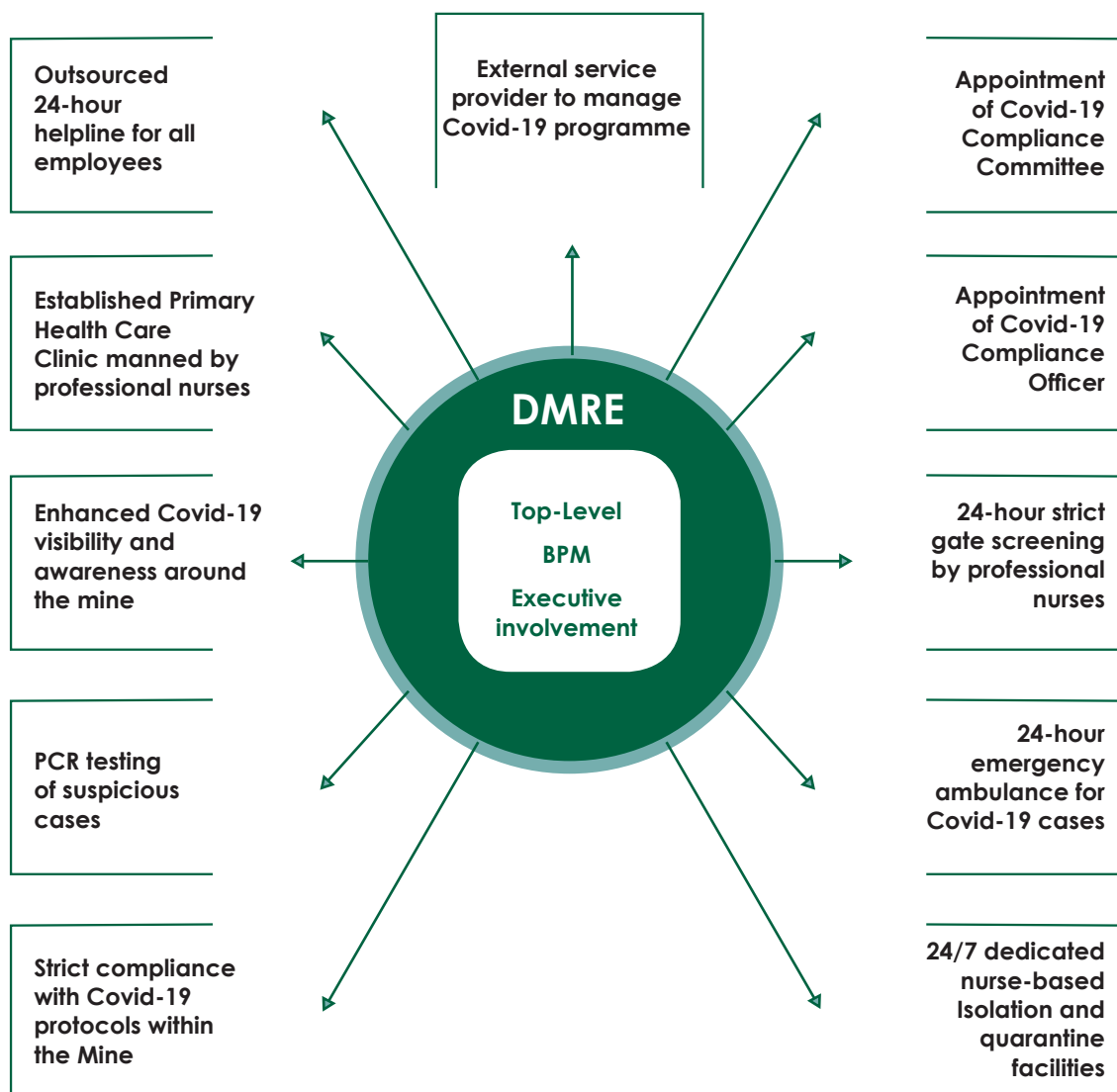
Employees were instructed to no longer share lunch and encouraged to eat apart from their colleagues.

Ongoing training and coaching, regardless of the number of times an employee has attended such, is necessary especially given the government updates and the impacts of a second, and potential third, wave. The BPM thus undertook a third mass testing in January, some 1610 employees, to ensure those returning from the annual Christmas break, were negative for the coronavirus. Only 65 tested positive and were put into isolation.

No expense was spared to ensure complete compliance with the applicable regulatory prescripts as issued by the DMRE and the Ministries of Health and Cooperative Governance and Traditional Affairs (COGTA). The multi-pronged approach taken by the Company to manage Covid-19 has introduced several new initiatives to our safety and health procedures. One such is the effective collaboration of partnerships between external services and internal structures, as indicated in the diagram on page 8.

Managing Covid-19 (continued)

Bakubung Platinum Mine winning strategy to keep Covid-19 away from the Mine



CONCLUSION

We believe that the manner in which the BPM managed the spread of Covid-19 was effective and proved the value of good leadership in the face of an unprecedented crisis. As a result we are pleased to report that no Covid-19 related deaths were experienced at the BPM. The enforcement of strict measures was guided by the external provider, which improved consistency and compliance, but was supported by management. We did not attempt to manage our way, but remained highly consultative. No stone was left unturned in our efforts to protect every individual entering the mining premises, including ensuring PPE use and security checks from entering the gate to exiting the property.

Our employees were extremely receptive to their induction and clearly applied the proper protocols both in their homes and at work. Myths and stigmas associated to Covid-19 contraction were quickly dispelled because our actions were comprehensive and informative.

This is a success story; that despite the dire situation or deadly pandemic we faced, we all came together quickly and efficiently to fight, prevent and protect one another. Our people are truly the strength of Wesizwe.

What we do

Our ore body



On the western limb of the Bushveld Igneous Complex, north of the city of Rustenburg in the North West Province, is the Bakubung Platinum Mine

The mine site is adjacent to the western boundary of the Royal Bafokeng Platinum Limited's Styldrift project, which is north of Maseve Investments 11 (Pty) Limited's Project 1.










This is a high-quality, flat-lying resource ore base, which comprises two reefs, the Merensky and UG2. The ore body is favourable for conventional mining, given its large width, however mechanisation will be used for development and parts of the ore body that have even higher mining widths.

A combination of conventional and mechanised mining is planned in an effort to achieve a relatively high extraction ratio of 74%, from the flat dipping ore-body that requires four underground levels with a declining steeper access for parts below 81 Level. The prill split is highly favourable at 62.4% Pt, which is considered a good ratio for PGM mines.

The Merensky and UG2 will be mined in a split ratio of 9:1 respectively until Merensky is depleted, at which time it will swing completely over to UG2.

What we do

Strategic and material issues

 <p>We continue to ascribe to the norms and standards that recognise the value of our people, respect and protect the fundamental rights of employees as accorded by and as guided by the conventions of the over 100-year-old International Labor Organisation (ILO).</p> <p>PEOPLE</p>	<p>We remain focused on ensuring that the development phase of the project is completed in 2021 and production commences during the third quarter of 2021.</p>  <p>BPM DEVELOPMENT COMPLETION</p>
 <p>Safety remains one of our top priorities and is monitored by our Social & Ethics Committee</p> <p>SAFETY</p>	<p>The process plant construction remains top of our agenda, we are continuing with construction of a 1 mtpa processing plant (MF2) to treat the ore, with the target of completing construction before December 2021.</p>  <p>PROCESS PLANT CONSTRUCTION</p>
 <p>The CDB loan amounting to US\$650-million has been completely drawn down. One of the key strategic focus areas is to secure additional funding that will ensure productivity and increased value for our shareholders.</p> <p>FUNDING</p>	<p>The three-year wage agreement is in its final year and has provided a solid platform for a stable operational environment and has illustrated how seriously the Company values its relationships with employees and the unions.</p>  <p>The Company continues to enjoy a fairly stable industrial relations climate with no stoppages experienced during the reporting year.</p> <p>UNION RELATIONS</p>
 <p>We continue to promote our values and strive to inculcate a value-driven culture within the Company.</p> <p>COMPANY VALUES</p>	<p>Our obligations related to the mining right granted in terms of Section 23 of the Minerals and Petroleum Resources Development Act (MPRDA), No 28 of 2002, have been fully discharged.</p> <p>We have also taken into account our obligations arising from the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals industry (Mining Charter) released by the Department of Mineral Resources and Energy (DMRE) in September 2018.</p>  <p>We endeavour to ensure that our transformation strategy is aligned to the implementation guidelines of the Mining Charter as issued by the DMRE in December 2018.</p> <p>We currently hold a level 5 BBBEE certification.</p> <p>COMPLIANCE</p>
 <p>The Company will only survive if it continues to maintain excellent relations with its stakeholders, inclusive of meaningful consultations and transparency. Significant progress has been achieved in this area, although there remains room for improvement.</p> <p>SOCIAL COHESION</p>	

The Company has accepted the International Integrated Reporting Council's (IIRC) 'six capitals' model as best practice for logical and transparent reporting on our operational, financial and broader activities. In our view, the King IV Code and Recommended Principles (King IV Code), recommended six capitals reporting stance, enables a clear view of the tangible – financial, manufactured, human and natural – and intangible – intellectual, social, and relationship – capitals that flow through the Group to create short-, medium- and long-term value.



FINANCIAL CAPITAL

- The pool of funds that:
- is available to an organisation for producing goods or providing services;
 - are obtained through financing (such as debt, equity or grants), or generated through operations or investments;
 - offer equity and raising development capital at competitive rates;
 - provide efficient expenditure of development capital; and
 - build shareholder value.



SOCIAL AND RELATIONSHIP CAPITAL

- Social and Relationship capital includes:
- shared norms, values and behaviours with key stakeholders;
 - meaningful engagements with external stakeholders;
 - intangibles associated with the brand and reputation;
 - the Company's social licence to operate;
 - government, service providers, funders, and communities; and
 - a workforce development and community relations strategy that encourages harmonious relationships with these vital stakeholders.



BUILT CAPITAL

- Manufactured physical objects (as distinguished from natural physical objects) used in producing goods or providing services. These may be:
- buildings;
 - equipment;
 - infrastructure (such as roads, waste and water treatment plants);
 - emphasis on capex and opex optimisation;
 - infrastructure, logistics and IT systems being developed at the BPM and Wesizwe House to reduce costs;
 - utilisation of partnerships and global procurement opportunities; and
 - fit-for-purpose designs.



HUMAN CAPITAL

- Individual competencies, capabilities and experience, and their motivations to innovate, including:
- alignment with the Company's governance framework, risk management approach, and ethical values;
 - ability to understand, develop and implement the Company's strategy;
 - loyalties and motivations for improving processes, goods and services, and ability to lead, manage and collaborate; and
 - tacit and implicit capabilities as individual employee and collective capacities. This may entail knowledge, skills, experience, wisdom, and talent, and enabling the Company to deliver on its targets.



NATURAL CAPITAL

- All renewable and non-renewable environmental resources and processes that provide goods or services, inclusive of air, water, land, minerals and forests, and biodiversity and eco-system health. Our natural capital encompasses our geological setting and our much-valued mineral resources. We further report on the environmental aspects of:
- water and electricity usage – carbon footprint;
 - our monitoring programme inclusive of parameters related to dust fallout, PM10 (respirable dust), NO2, SO2, surface water and groundwater;
 - major environmental incidents; and
 - fines for environmental transgressions or non-compliance.



INTELLECTUAL CAPITAL

- Organisational, knowledge-based intangibles, including:
- intellectual property, such as patents, copyrights, software, rights and licences;
 - 'organisational capital' such as tacit knowledge, systems, procedures and protocols;
 - brand equity, product development, market research, management expertise, efficient supply chain, and sound corporate governance; and
 - local mining experience in conjunction with expertise offered by Chinese shareholders and executives.



Performance highlights

SAFETY

- Implemented a comprehensive Covid-19 management strategy as summarised on pages 6 to 8.

DEVELOPMENT AND EQUIPPING

- Achieved 3 791 development metres, against a revised target of 3654m.
- Commenced with earthworks for the process plant and delivery of long-lead items.
- Commissioned the PRS and Substations on Levels 69 and 72.
- Hoisted some 86 446 tonnes of ore from Merensky, to surface stockpile; and a total 171 796 tonnes, including waste.
- The operating costs per metre, cube and per ton for the year to date is: 8%, 20% and 13% above revised 2020 budget at R228 651 p/m, R14 404 p/m³ and R4 560/tonne.
- Completed the BPM Definitive Feasibility Study update and related Competent Persons Report, as required by the JSE.
- Began testing and commissioning of 30 tonne Dump Trucks on Level 69 for underground long-distance haulage.

HUMAN RESOURCES MANAGEMENT

- Continued with our skills development programmes, with a key focus on internships, apprenticeships and bursaries.
- Undertook a company-wide core and critical skills audit.

STAKEHOLDER RELATIONS

- Maintained cordial relations with our stakeholders
- Maintained zero sanctions for environmental compliance.
- Continued with the implementation of the Social and Labour Plan (SLP) programmes.



WESIZWE IN CONTEXT

↳ Vision and values	16
Group structure	17
Our operating environment	
Operating context and market	18
Our approach to sustainability	20
Risk management	21
Compliance management	24
Ethics and business conduct	26

Vision and values

Our vision
is to grow
into a significant
multi-commodity
mining company,
focused on
strategic metals
with sound
fundamentals
for sustainable
demand.



**Zero harm to people
and the environment**



**Ownership, accountability
and responsibility**

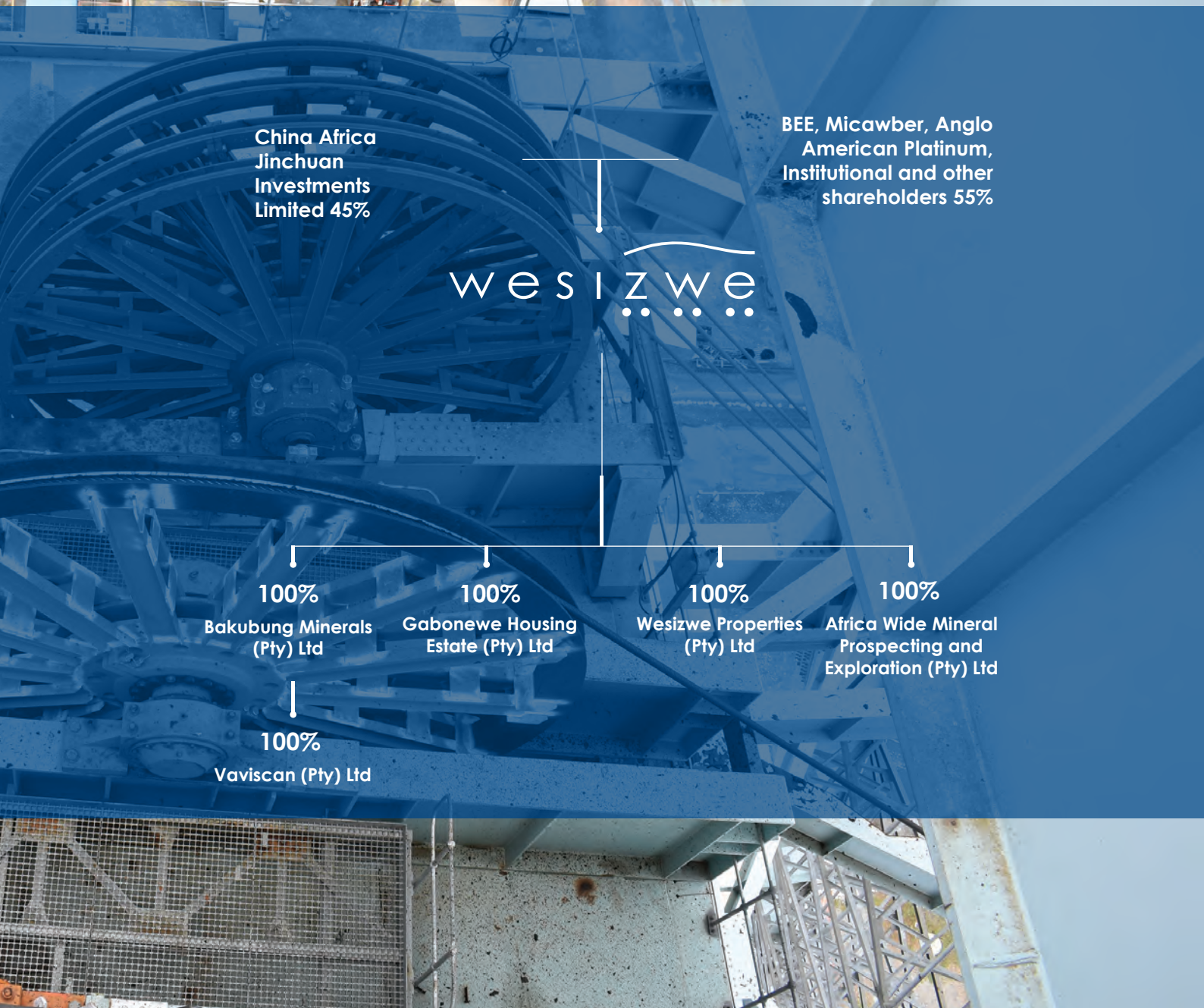


**Trust, openness and
transparency**



**Perseverance
and tenacity**

Group Structure



Ethical behaviour based on integrity and honesty



Respecting diversity and inclusion



Dignity, respect and fairness



Caring

Our operating environment

Operating context and market



The PGM supply side was materially impacted by mine closures in the second quarter of 2020.

PGM MARKET UPDATE

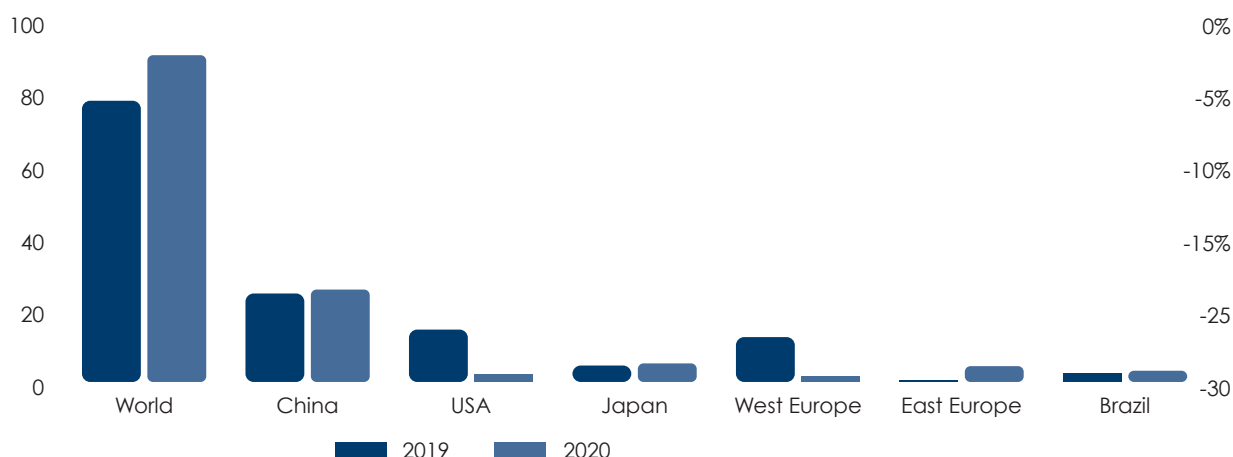
During a period overwhelmed with the uncertainties of Covid-19, Platinum Group Metals (PGM) fundamentals improved further over the past 12 months. The deficits in palladium and rhodium markets intensified resulting in record prices achieved for both commodities, while PGM producers received super-cycle like margins. PGM metal shortages appear unwavering in the next five years despite potential market headwinds discussed below. A shortage of investment over the past decade resulted in a muted supply side response amid PGM shortages, despite rising PGM market deficits in 2020.

The PGM supply side was materially impacted by mine closures in the second quarter of 2020. Thereafter, the South African PGM companies management teams commendably undertook a cautious approach to ramp-up mines in the wake of Covid-19, which resulted in the industry reaching above 90% operating capacity by the fourth quarter of 2020. The factors mentioned above, together with Anglo American Platinum's ACP shutdown, intensified the shortfall of metal, most notably rhodium which soared to above \$20 000/oz.

Global PGM production reduced by c.17% during 2020 due to mine stoppages, however PGM metal demand from auto-catalysts reduced by just 14%, intensifying the deficit PGM market balances. The momentum of higher PGM loadings appears likely to continue as emissions targets are further tightened in the coming years. Over the next 24 months China will further tighten emission regulations (China 6a) on heavy duty vehicles while China 6b Real Driving Emissions (RDE) will be implemented, both leading to higher loadings of PGMs. The insatiable demand for rhodium and price differential between platinum and palladium may once again promote thrifting of PGMs in larger light duty vehicles. The substitution of palladium for platinum will likely occur in a more measured approach than the robust thrifting witnessed more than a decade ago when platinum prices reached a record \$2 000/oz. However, this will be positive for the South African PGM producers.

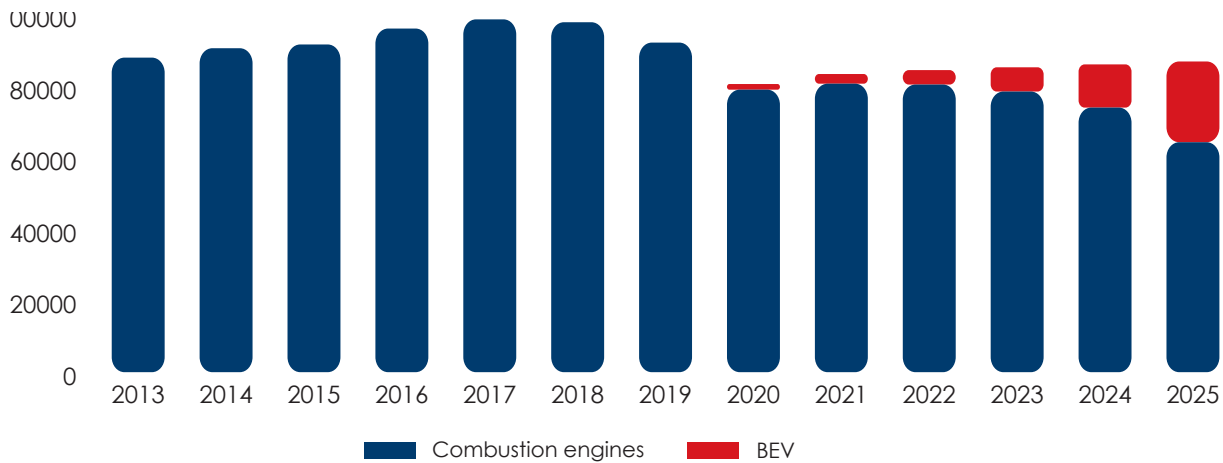
Auto production rebounded well in the second half of 2020. China reported auto production just 4% lower in 2020 versus global automotive production down nearly 14% during a year impacted by periods of extended retail lockdowns. Early indications in 2021 signal a measured rebound in

Figure 2: Global light duty sales



Source: All figures supplied by Bloomberg, Feese Consulting

Figure 3: Global light duty sales



auto-sales, partly due to a shortage of automotive chip supply. However, a tailwind from consumers higher savings rate through the pandemic and almost non-existent travel spend may provide a catalyst for luxury car sales.

Electric Vehicles (EVs) and Plugin Hybrid Electric Vehicles (PHEVs) will continue to gather strong momentum as the world moves towards a cleaner environment, albeit off a low base. The 'green' strategy, which includes the rollout of PGM containing PHEVs over the next decade will reduce the negative impact from pure non-PGM EVs. However, during this transition the hydrogen economy will also be a cog in the wheel for a cleaner future. Hydrogen fuel cell automobiles, busses, trucks and heavy-duty equipment have proven to be reliable with commercial viability improving. The hydrogen economy is likely to be a vital demand source for PGMs in future.

PGM market fundamentals appear likely to remain healthy over the medium term. A limited supply side response, tighter emissions legislation and penalties for non-compliance creates an environment of sustained PGM market deficits ahead. Substitution of palladium for platinum will draw down large stocks of above ground platinum inventory, potentially creating pricing momentum similar to that witnessed in palladium. Due to the inflated

rhodium price and no near-term solution for rhodium shortages, a move to substitute rhodium with palladium will likely be considered by auto-catalyst producers. The factors mentioned depict a fundamentally healthy PGM market in the medium term which is likely to be beneficial for PGM producer margins.

Figure 5: Palladium market balance

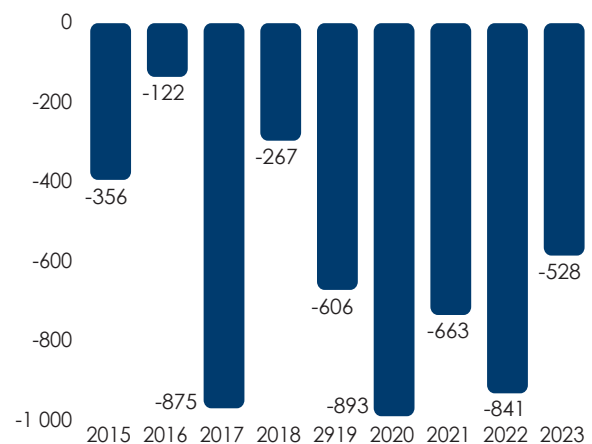


Figure 4: Platinum market balance

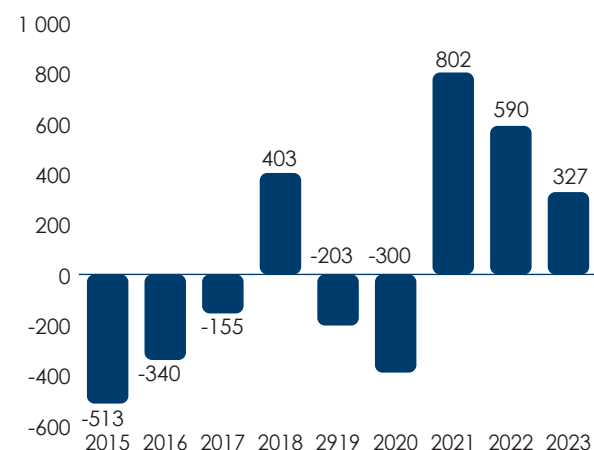
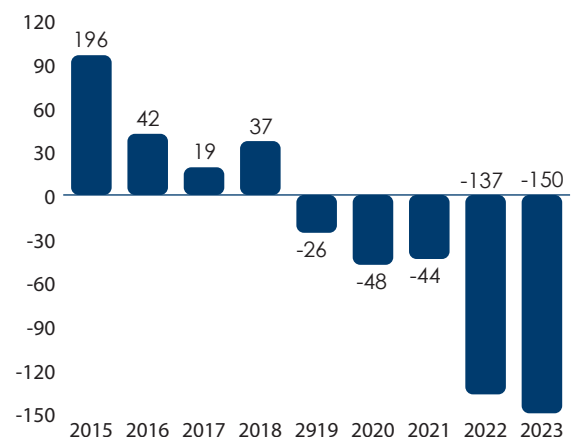


Figure 6: Rhodium market balance



Source: All figures supplied by Bloomberg, Feese Consulting

* Excludes investment demand forecast

Our operating environment (continued)

Our approach to sustainability



The Wesizwe way to sustainable development is anchored on four pillars, spearheaded by our Corporate Affairs Executive with Exco support.

1

Deliver on Wesizwe's SLP commitments, ensuring that the social licence to operate and mine in the area is retained. Part of that commitment is to address the social and labour impacts of mining in a manner that fully involves communities, while also communicating that mining has to be cost-effective for the shareholders.

2

Fully deliver on the strategy by ensuring that sustainable principles and practices are embedded into all aspects of business. These are governed and assured to keep the Company on its sustainable development track.

3

Further build upon sustainable development by embedding a culture of risk management, responsibility, and mitigation into all levels of the Company.

4

Recognising that all employees should have access to adequate training and a career path. To help develop the local community and keep its social fabric intact.

Risk management

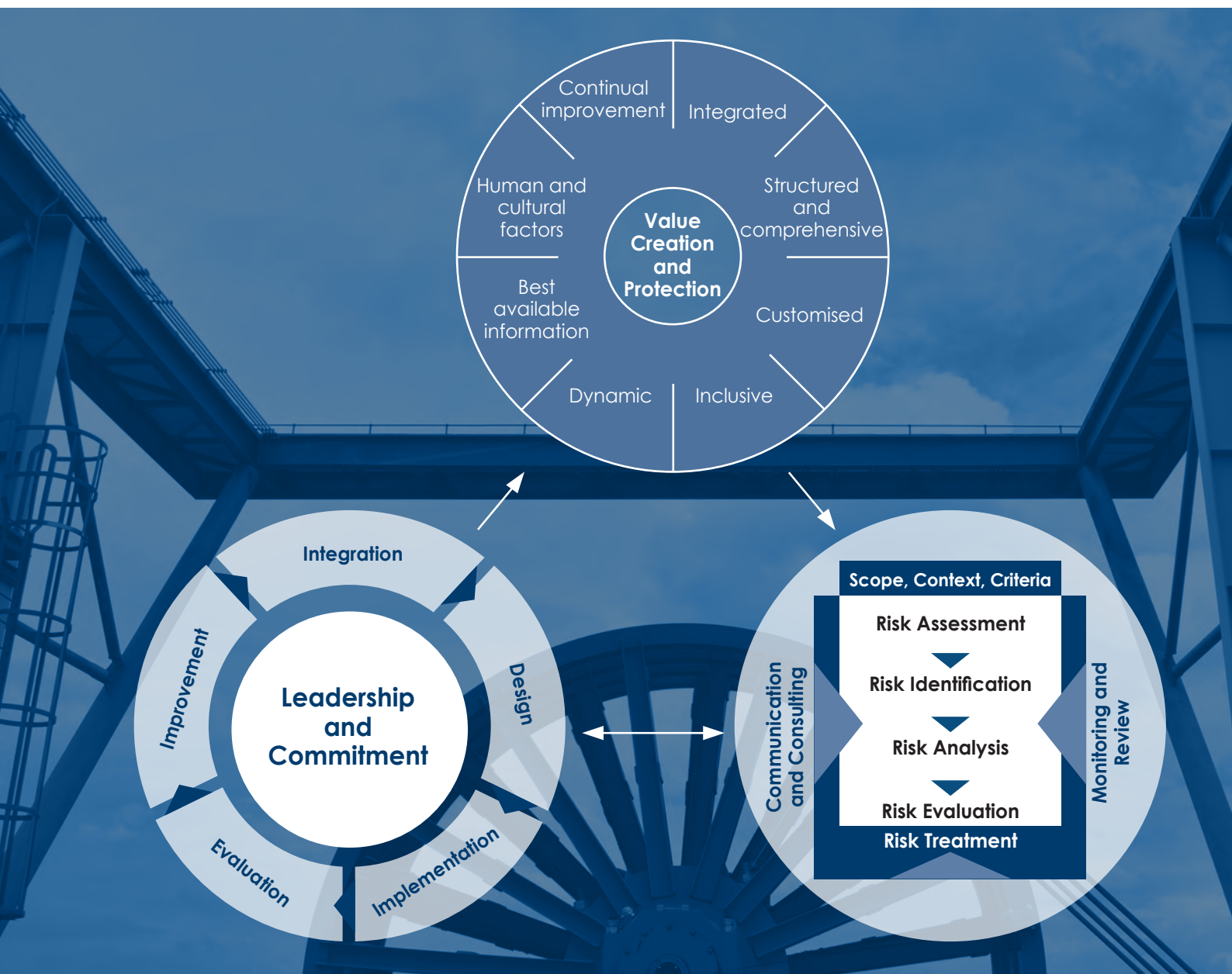
As reported in the governance section of this IR, the Board carries an oversight responsibility for the management of risk in the Company, and has delegated this responsibility to the Audit and Risk Committee, Exco and other management committees. Risk governance is one of the Board's primary aims, resulting in risk being reviewed and monitored monthly, and which includes accounting for the operational environment of the Company.

The management of risk is jointly undertaken with all members of management, within all business operations, and reported to the Audit and Risk Committee and the Board of Directors after consideration by Exco.

The daily management, however, of the risk function is delegated to the Corporate Affairs department, under Mr Hamlet Morule who is an Exco member and who is supported by the Risk and Compliance Officer, Mr Letebele Motswenyane. Together, and with the support of management, Mr Morule and Mr Motswenyane ensure that the risk management process is embedded in the organisation.

The assessment of strategic, operational and project-related risk follows well-defined risk assessment and risk treatment processes. This includes Identification, analysis, evaluation, and monitoring. The Company's Enterprise Risk Management is aligned to ISO 31000 international risk management standards and follows the framework as indicated in Figure 7.

Figure 7: Principles, framework and process



Our operating environment (continued)

Risk management (continued)

The Covid 19 pandemic is the major contributor towards the current risks carried by the company. Its impact has had an adverse impact on overall operations, supply chain, employee health and morale.

Due to the various challenges associated with the pandemic, the Company could not convene its planned annual strategy and risk reviews session, an exercise deferred to Q1 of 2021. Below are the top risks as identified by management and ratified by the Board:

Table 1: The top risks are:

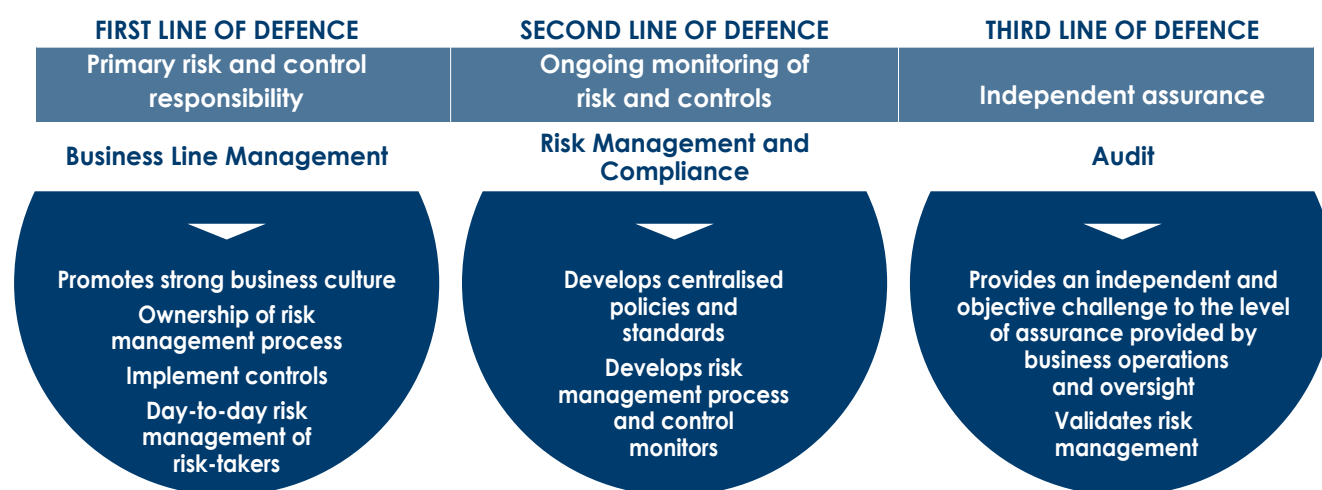
	Risk name	Consequence	Root cause
1	Inability to attain project construction and development milestone targets <i>(mine and the process plant)</i>	<ul style="list-style-type: none"> Increased costs Loss of investment value Reduced investor confidence Reduced Stakeholder Confidence 	<ul style="list-style-type: none"> The Covid-19 restrictions and lockdown delays Poor contractors and Owners team performance Delays in permits application and approval Delays in procurement and contracts finalisation Poor project management
2	Increase in operational cost and expenditure (Covid-19)	Inability to deliver project within budget Negative impact on the project value	<ul style="list-style-type: none"> Additional cost for safety measures guided by the DMRE MCOP for Covid-19 Reduction in production capacity due to non-availability of labour impacted by Covid-19 Interruptions and/or disruptions in services rendered to the mine
3	Inability to meet mining charter targets & SLP Commitments	Mining License suspension/cancellation Reputational risk and community disgruntlement	<ul style="list-style-type: none"> Insufficient budget provision Failure to meet Company annual Inability to access project sites or restricted construction activities due to Disaster Management Act regulations Budgets adjustments due to unplanned Covid-19 costs
4	Delay in delivery of long lead items and critical spares.	Project delays Increased cost	<ul style="list-style-type: none"> Delays in Customs Inclement weather Covid-19 lockdown delays
5	Frequent intersection of high concentration of Flammable Gas underground	<ul style="list-style-type: none"> Multiple fatalities and damages to infrastructure Loss of production days due to frequent stoppages to clear gases. 	<ul style="list-style-type: none"> Mining within and nearer the Pilanesburg geological complex High concentration of flammable gas being emitted from the rock mass underground
6	Late permit approvals	<ul style="list-style-type: none"> Project delays and increased cost Loss of opportunity and project value 	<ul style="list-style-type: none"> New impact assessment requirements. Delays in interpretation of requirements and completion of applications. Lack of cooperation by stakeholders on EIA processes (community)

Inherent rating	Control name	Control effectiveness	Residual rating
Very high	<ul style="list-style-type: none"> Review and optimize all project packages schedules to fastrack. Implementation of late penalties in contracts. Create capacity in the procurement office and streamline the inquiry processes. Build capacity for project management within owner's team. 	Adequate	High
Very High	<ul style="list-style-type: none"> Mitigating measures to curb the spread of the Covid-19 Standard Operating Procedure Risk Assessment on mitigating measures to curb the spread of Covid-19 Mandatory code of practices for the mitigation and management of Covid-19 outbreak 	Adequate	High
Very High	<ul style="list-style-type: none"> Application for Section 102 Revision and amendments to the SLP project schedules Ensure compliance to Disaster management act regulations 	Adequate	High
Very High	<ul style="list-style-type: none"> Communication with suppliers Site visits and regular clarifications. Regular progress updates and expediting. 	Adequate	High
High	<ul style="list-style-type: none"> MCOP (mandatory code of practice). Use of cover drilling and sensors to predict and manage intersections. Create additional working faces for redundancy. 	Adequate	High
High	<ul style="list-style-type: none"> Visits the DWA and seek a higher level meeting. Regular communication and reporting to authorities in line with approved license requirements. Seek support and invest in relations with community, business leaders and the office of the Kgosi. 	Adequate	High

Our Operating environment (continued)

Risk management (continued)

BOARD – AUDIT AND RISK COMMITTEE



Compliance management

Adhering to the mining sector's compliance obligation is imperative for the success of the Company. This includes the applicable requirements as set out in statutory, regulatory, and supervisory environments, as well as any other relevant mining general codes, requirements and best practice guidelines. The Company also takes a broader view and considers all other mining-relevant standards, local and global.

The Company is steadfast in adhering to international best practices and market standards related particularly to accountability, transparency, consistency, principles, and business ethics, more so those that promote and uphold sustainability.

We manage negative mining effects by compliance to good governance practice, including those related to: safety and training thereof; health and environmental procedures, such as medical screening and follow-up services; and strict waste management and scarce resource management procedures. All of these practices are currently working efficiently at the BPM site and within the surrounding community. We also adhere to the principles of good governance in all our operations; transparency is one aspect which we steadfastly endorse.

As mentioned earlier, the Audit and Risk Committee provides oversight over risk and compliance on behalf of the governing body of the Company. This includes overall oversight, reviewing reports obtained for appropriate levels of independent assurance, continuous monitoring, and ensuring management maintains an effective compliance management system that meets all applicable compliance obligations.

Management is responsible to ensure that compliance obligations are met on a day-to-day basis and that the Company's compliance policy frameworks are effectively implemented, supported and adhered to. The compliance function plays a valuable role in the implementation of a compliance risk management process, which includes assisting in facilitating and advising on the identification, assessment, management, monitoring, and reporting of compliance risk.

A regulatory universe has thus been identified, with acts categorised as high priority, medium priority, and low priority. All high priority acts (as per figure that follows) are monitored for compliance with a compliance risk assessment performed and approved by Exco, and reported to the Board for monitoring.

Table 2: Legislation

	Category/Priority
HIGH PRIORITY LEGISLATION & REGULATIONS	
King IV	High Priority
Mining Charter	High Priority
Broad-Based Black Economic Empowerment Act 53 of 2003	High Priority
Promotion of Access to Information Act 2, 2000 (PAIA)	High Priority
Protection of Personal Information Act 4 of 2013	High Priority
Companies Act 71 2008	High Priority
Johannesburg Stock Exchange Listing Requirements	High Priority
International Financial Reporting Standards	High Priority
Income Tax Act 58 of 1962	High Priority
Tax Administration Act 28 OF 2011	High Priority
Value-Added Tax Act 89 of 1991 as amended	High Priority
Basic Conditions of Employment Act 75 of 1997	High Priority
Labour Relations Act 66 of 1995	High Priority
Skills Development Act 97 of 1998	High Priority
Employment Equity Act 55 of 1998	High Priority
National Environmental Management Act 107 of 1998	High Priority
National Environmental Management: Air Quality Act 39 of 2004	High Priority
National Veld And Forest Fire Act 101 of 1998	High Priority
National Environmental Management: Waste Act	High Priority
National Water Act 36 of 1998	High Priority
Compensation for Occupational Injuries and Diseases Act 130 of 1993	High Priority
Mine Health and Safety Act 29 of 1996	High Priority
Occupational Health and Safety Act 85 of 1993	High Priority
Occupational Health and Safety Act 85 of 1993 – Regulations	High Priority
Explosives Act 26 Of 1956	High Priority
Mineral And Petroleum Resources Development Act 28 Of 2002	High Priority
Mineral and Petroleum Resources Royalty Act 28 of 2008	High Priority
Constitution of the Republic of South Africa, 1996	High Priority

Our operating environment (continued)

Ethics and Business Conduct

In its delivery of responsibilities, the Social and Ethics Committee approved an Ethics framework as per the South African Institute of Ethics:

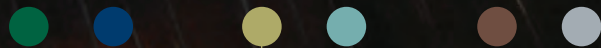
Governance of ethics and ethics management framework



Through Company employee engagement and communication campaigns, employees have been urged to live and endorse the Company's values. Management also ensured that the Code of Ethics and Business Conduct, which was approved by the Social and Ethics Committee, has been implemented and monitored by management. The Code of Ethics was adopted as a source of direction and guidance for internal actions and decisions, and in all interactions with stakeholders.

The Company Code of Ethics addresses matters relating to conflict of interest; a harassment-free workplace, political contribution, prevention of unauthorised dissemination of Company information, the acceptance of donations and gifts, and the protection of the Company's intellectual property and patent rights. It also prescribes the disciplinary action, inclusive of dismissal or prosecution, to be administered in the event of any contravention of the Code. The Code of Ethics has been included in the Company induction programme, thus ensuring that all employees, contractors and suppliers adhere to the Code of Ethics.

Management aspires to create an ethical culture by conforming to its corporate values and by leading in a manner that demonstrates an ethical tone at the top. The Company is committed to maintaining a zero tolerance stance on fraud, corruption, misconduct or dishonesty. Employees, business partners, contractors and associates are expected to conduct themselves in accordance with the Company's Code of Ethics and policies related to fraud, corruption, whistleblowing and governance.



OUR LEADERSHIP

Chairperson's review	28
Chief Executive Officer's review	30
Our leadership	32



2021 is predicted to be the year when platinum outstrips gold in demand, being driven by the high industrial need for platinum basket minerals and new global policies that promote a hydrogen economy for the future.

I am pleased to present our Integrated Annual Report for FY2020.

Every year the company has faced a myriad of challenges, but in 2020, the advent of the Covid-19 pandemic globally resulted in the world totally unprepared in its response to the pandemic, and this resulted in the tragic loss of lives and livelihoods and further exacerbated the poor performance of the South African economy.

During this unprecedented period, the global mining sector had to adapt accordingly, and some projects had to be put on hold, resulting in share prices of listed companies spiralling Downward. Commodity prices, particularly platinum and palladium, dropped by more than 40% in just three weeks.

Giving that our mine, Wesizwe Platinum is still under construction, the project that has had to contend with serious delays as a result of the various periods of lockdown and our progress towards production dates was severely compromised.

The Covid-19 pandemic has highlighted to companies across the private and public sectors, a need to invest in adequate health infrastructure to the benefit of their customers and employees, and also their surrounding communities.

SAFETY AS A PRIORITY

The health and safety of our people is our highest priority and while I am pleased to report we did not lose one person to the dreadful pandemic, tragically we were all devastated by the loss of Mr Wu Chongfeng, who died in an underground accident in May. We continue to emphasise that there is no room for complacency when it comes to safety, and have deepened our daily communications around safety performance.

SOCIAL VALUE

Another aspect that was highlighted because of Covid-19, was the importance of meeting and exceeding our social compact in respect of our host community. This focus intensified in 2020, as we



2020 was a tough year but the resilience, discipline and focused approach shown by all, is valued.

continued to prioritise how best to serve the need of all our stakeholders. In the year under review, we worked hard to integrate social impact in all the decisions we made to support the community in the vicinity of the mine.

SUSTAINABILITY

Social engagement is also crucial to ensure that every aspect of our activities promotes and fosters a lifecycle understanding that will be important to our communities own development and wellbeing.

Our strategic environmental assessments are key to this because they probe and expose the effectiveness or otherwise, of the impact that our interventions have on our operations. These also inform our investment and business decision-making, such as how we reduce our carbon footprint, take charge of biodiversity so it is not lost, and ensure sustainability long after our mining activities have ceased. Ensuring that we use resources optimally, particularly during this construction phase, has tightened our resolve to conform to the highest international and local standards. We conserve and recycle wherever possible, be that energy, water or materials and ensure that this information is distributed to our people so that the message can be passed on in perpetuity.

COMPLIANCE AND GOVERNANCE

This is the fourth year that we have presented an integrated report, which is compliant with the King Codes. I believe this establishes Wesizwe as a responsible mining company and can prove its long-term value creation based on principles of fairness, accountability, responsibility and transparency. This IR reflects how we create the value now, internally and externally, which encourages improvement in our relationships with our investors, employees and other stakeholders. It also drives future cash flows and indicates how we allocate capital most effectively. We underpin this by integrating our

thinking with insights for a future that is beneficial for all in our ambit.

RISK AND RISK MANAGEMENT

Management is engaged with performing, to the highest level, operational risk assessments. This team is guided by a management framework to ensure mitigation and indeed, even anticipate potential risks by monitoring trends and patterns in the platinum mining sector.

OUTLOOK

Given the positive repositioning of platinum in global markets going forward, I am convinced that when the BPM beings production, the supply-demand landscape will be ripe to supply our platinum to markets all over the globe.

I wish to thank our shareholders, our investors, our communities, and most importantly our employees.

2020 was a tough year but the resilience, discipline and focused approach shown by all, is valued. Thank you for your continued support of Wesizwe, as we position our collective actions towards the completion of the mine and look forward to the production of our first ore.

Dawn NM Mokhobo
Chairperson



Mining operations are likely the most prepared of industries to handle a pandemic because the safety and health regime has always been a top priority.

Unprecedented economic uncertainty, due to the impacts of Covid-19, was experienced across the globe in 2020. For Wesizwe those impacts affected our mine construction and development largely from the second quarter of the year following the first lockdown and a swath of disaster management regulations, which were issued to ameliorate the risks associated with the spread of the pandemic.

Given that South African mines were only allowed to work at full capacity from June 2020, the Company adopted a risk-based restart approach, and despite the challenges we moved ahead progressively. The main focus was directed at meeting our mine construction targets, accelerating the construction of both the processing plant and housing project. I am pleased to report that we have made appreciable progress in those areas.

HEALTH

The Mining industry is undoubtedly one of the most prepared to handle a pandemic impact and response because of the stringent and highly regulated safety and health regime. Many mines

have acquired a positive reputation because of how the industry has responded in the past to HIV/AIDS and tuberculosis, by using practices and novel approaches to contain the spread of those epidemics. This approach equipped the industry well in having the ability and readiness to respond to the Covid-19 virus.

Like all mines, we too made Covid-19 mitigation our top priority. Our efficacy was enhanced because of the early warnings received from our international directors who also shared global best practices on containing the virus.

We ramped up our strategic health and safety measures with the extra precaution of contracting a professional healthcare service, who was responsible for engaging with our employees and keeping the infection rate at the minimum level.

As a result we were fortunate to only have 54 of our 1621 employees test positive for Covid-19, with no related fatality. We are also pleased to announce that we have not recorded any cases of tuberculosis, dermatitis and noise-induced hearing loss during the reporting period.

Given the financial hardship that manifested through lockdown levels, and the general financial difficulties it imposed on the livelihood of workers and their families, the Company made the decision in the best interests of our employees, to continue to pay full salaries throughout lockdown, and this regardless of the financial constraints the Company faced.

We also donated towards and distributed food parcels to the value of R1.4-million, to the most needy of families within our host community. These measures helped to improve the morale of our employees and the relationship with our host community.

SAFETY

At the end of 2020, we recorded a Lost Time Injury Frequency Rate of 0.57 and a Serious Injury Frequency Rate of 0.57 vs a threshold of 0.59 and achieved 0.45. Fatality Free Shifts following the accidental fatality in May 2020, of Mr Wu Chongfeng, who died in a fall-of-ground accident.

We extend our deepest condolences to his family, friends and colleagues. This type of accident is preventable and management has taken appropriate measures to avoid a repeat. Mr Chongfeng's death highlighted the reason why we prioritise the value of our people and emphasises our agenda for zero harm.

Within the process of mitigating safety risks, we have also introduced our own Mine Rescue Service, comprised of two teams, and headed by our chief engineer. Further we have upgraded the BPM's diesel generator to 8MW, which will enable a bulk shift of underground evacuation of up to 160 people per trip, as opposed to only 10 with the previous 1.6MW generator.

CAPITAL PERFORMANCE

Regarding our investment in 2020, we registered an R2.4-billion capital expenditure into the mine construction. We also achieved all the adjusted targets (adjusted due to the impact of Covid-19), which are: 3 791m underground flat development; completed and commissioned some of the underground infrastructure as planned; total 171 796 tonnes hoisted in which 86 446 tonnes are development ore (Merensky and UG2); and started the concentrate processing plant construction and long-lead items; phase 1 housing project 30% completed and we also completed the definitive feasibility study – DFS update on our project.

Our 2020 achievements will contribute towards ensuring that the mine achieves its long-awaited objective of production in late 2021, and we continue, in 2021, to work towards completion of the first phase of the mine and construction of the concentrate processing plant.

HUMAN CAPITAL

We will be ramping up our Human Capital by drawing on the talents within our host community and neighbouring areas, as well as from the general market. Simultaneously, management has completed its review of the remuneration policy and all other human resource-related codes and conducts to further guide our stable workforce, and rolling our culture into our future.

OUTLOOK

In 2020, we saw a strong performance of the PGM basket price and we hold the view, as always, that the strong cycle of PGM metal prices is gradually picking up. By adhering to the Company's designed construction and ramp up plan, we will be able to enter the product market at the start of an up-swing cycle. This is according to a number of analysts who predict this up-swing to last for several years.

Our shareholders and funders have shown continuous strong confidence in our project, as was demonstrated when they allowed the Company to defer the mid-year capital and interest payments to year end, and further provided a US\$41-million short-term loan to enable us to meet that commitment.

In 2021, we will continue to drive our stringent implementation approach to ensure we launch the production phase planned for late in the year.

APPRECIATION

The Company's ability to progress, and our achievements in meeting targets, is undoubtedly a result of all our stakeholder's efforts and determination to ensure success. I extend my gratitude to all our hard-working employees, our shareholders, Directors, Exco and Management, and community leaders, for their continuous support and ongoing commitment. I wish everyone good health and safety in this particularly challenging period.



Zhimin Li
Chief Executive Officer (CEO)

Our leadership

Board of Directors



Ms Dawn Mokhobo

Independent Non-executive Director and Chairperson

Bachelor of Arts, University of the North. Strategic Transformation Programme, University of Stellenbosch Business School

Appointed: 17 December 2009

Leadership roles: First African woman on the management board of Eskom, as Executive Director in charge of growth and development.

Won the prestigious Business Woman of the Year Award in 1993. Independent Electoral Commissioner in 1994.

Served on the Promotions Committee for the South African Police Service in 1996.

Nominated as the Chair of the United Nations Special Committee of Experts appointed to address the global issue of women and senior economic decision making in 1996.

Boards: Wesizwe Platinum Limited, Ford South Africa and Sabvest (Pty) Ltd.

Skills, expertise and experience: Social and economic development, governance and strategy.



Mr Huigao Guo

Non-executive Director and Deputy Chairperson of the Board

Masters of Mining Engineering and a Bachelor's Degree from Kunming University of Science and Technology

Appointed: 1 April 2019

Skills, expertise and experience: Several years' experience in the mining field working for Jinchuan Nonferrous Metals Company and Jinchuan Group Corporation Limited. Mr Guo has won the title of "Excellent Technology Management Worker of China Nonferrous Metals Industry" issued by China Nonferrous Metals Industry Association. He has also received 14 honours issued by the State and Jinchuan Group including the second prize of National Science and Technology Progress Awards and the first prize of science and technology award of China Nonferrous Metals Industry. He is associated to production and operations within the mine.



Mr Zhimin Li

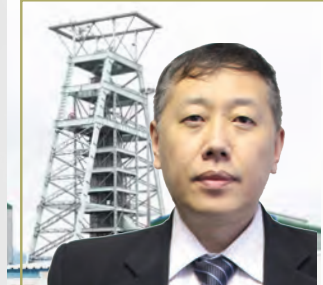
Chief Executive Officer

Bachelor Degree in Mining

Appointed: 15 February 2017

Skills, expertise and experience: Bachelor Degree in Mining Engineering from KunMing University of Science and Technology in China.

30 years experience in mining and civil engineering construction obtained through working in China for the Jinchuan Group and in Africa, including other foreign jurisdictions where he managed multi-million dollar projects.



Mr Pengfei Li

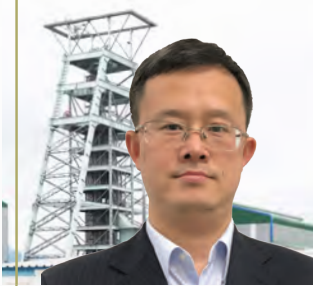
Non-executive Director and Chair of Remuneration Committee

PhD Industry Economics China Renmin University, School of Management

Appointed: 20 September 2016

Leadership roles: Executive Director of Investment in China Africa Development Fund (CADFund)

Skills, expertise and experience: Project valuation, investment instruments, business negotiation and project implementation.



Mr Sun Pingan

Non-executive Director

Master of Management, Wuhan University, Bachelor of Engineering, Kunming University of Science and Technology

Appointed: 1 February 2018

Skills, expertise and experience: Extensive experience in project financing, overseas investments, and mergers and acquisitions in the mineral resources sector within the Jinchuan group.



Mr Lincoln V. Ngculu

Independent Non-executive Director, Chair of the Social and Ethics Committee

BAdmin (Hons) (UWC), PDM (UCT GSB) and Certificate in Defence Management (Wits)

Appointed: 30 May 2011

Skills, expertise and experience: Politics, security sector reforms and health.



Mr Victor T. Mabuza

Independent Non-executive Director, Chair of Audit and Risk Committee

Bachelor of Commerce

Appointed: 22 August 2014

Leadership roles: Metorex/Jinchuan Group

Skills, expertise and experience: Corporate finance, investment banking, public offers, BEE strategies, corporate governance, risk management and strategic management.



Mr Jianguo Henry Liu

Financial Director

International MBA in Finance and Marketing Management from School of Economics, Management of Tsinghua University and MIT Sloan School of Management, Bachelor Degree in Inner Combustion Engine from Xi'an Jiaotong University in China

Appointed: 01 April 2020

Other directorships and leadership roles: Specialised in international finance, investment analysis, budget planning and management, and has more than 27 years working experience in Power Generation, Petrochemical Development Finance, and Project Finance. He has previously worked for Sinopec as a Senior Project Manager, GE Energy as Business Development Director and China-Africa Development Fund as Managing Director of Livelihood Investment, Market Development and Investment Consulting Department. Mr Liu is an excursionist, having been to 39 African countries, applying superior analytical aptitude for cost-saving and management control of companies.

Our leadership (continued)

Executive team



Mr Zhimin Li

Chief Executive Officer

Bachelor Degree in Mining Engineering from KunMing University of Science and Technology in China.

Appointed: 15 February 2017

Other directorships and leadership roles: 30 years experience in mining and civil engineering construction obtained through working in China for the Jinchuan Group and in Africa, including other foreign jurisdictions where he managed multi-million dollar projects.



Mr Jianguo Henry Liu

Financial Director

International MBA in Finance and Marketing Management from School of Economics, Management of Tsinghua University and MIT Sloan School of Management, Bachelor Degree in Inner Combustion Engine from Xi'an Jiaotong University in China

Appointed: 1 April 2020

Other directorships and leadership roles: Specialised in international finance, investment analysis, budget planning and management, and has more than 27 years working experience in Power Generation, Petrochemical Development Finance, and Project Finance. He has previously worked for Sinopec as a Senior Project Manager, GE Energy as Business Development Director and China-Africa Development Fund as Managing Director of Livelihood Investment, Market Development and Investment Consulting Department. Mr Liu is an excursionist, having been to 39 African countries, applying superior analytical aptitude for cost-saving and management control of companies.



Mr Jacob Mothomogolo

Executive General Manager

MBA, MEng (In Project Management), BSc Mining Engineering

Appointed: 1 May 2011

Other directorships and leadership roles: Director at Mozan Holdings (Pty) Ltd and GSR (Pty) Ltd



Ms Basetsana Ramaboa

Human Resources Executive

BA (Hons), Social Work, BA (Hons), Human Resources Development, Advanced Diploma in Project and Programme Management, Programme in Advanced Labour Relations Management

Appointed: 1 May 2013

Other directorships and leadership roles: None



Mr Hamlet Morule

Corporate Affairs Executive

BJuris, Magister Legum (LLM), MSc: Project Planning & Development, Harvard Senior Executive Program

Appointed: 4 January 2012

Other directorships and leadership roles: Member of the Social and Ethics Committee of the Wesizwe Board of Directors. Member of the Purchasing and Contracts Committee of the Board of Directors of United Manganese of Kalahari. Director of HamletM Consulting (Pty) Ltd.



Ms Vasta Mhlongo

Company Secretary

Advocate of the High Court of South Africa Diploma in legislative drafting BJuris, LLB

Appointed: 2 January 2013

Other directorships and leadership roles: Non-executive Director of South African Chapter of the International Association of Women Judges and Director of Azeyech Consulting (Pty) Ltd.

OUR PERFORMANCE

FINANCIAL CAPITAL	36
Financial Director's report	36
BUILT (MANUFACTURED) CAPITAL	40
NATURAL CAPITAL	49
SOCIAL AND RELATIONSHIP CAPITAL	54
HUMAN CAPITAL	63
INTELLECTUAL CAPITAL	75
Corporate Governance report	75



Financial capital



Mr Jianguo Henry Liu
Financial Director

POSITIVE OUTLOOK

2020 was a difficult year for Wesizwe, South Africa and the world. We experienced the worst pandemic in 100 years, with devastating consequences to economies and families. Millions have lost their lives and livelihoods.

Without doubt, the national lockdown and new compliance and safety regulations impacted negatively on the original 2020 production plan for the BPM mine. Management has been working relentlessly, with the support of all shareholders and the community, to not only ensure compliance to measures to curb the spread of Covid-19, but also to enable the project team to advance mine construction and to achieve the revised working plan on metre development, with record development metres achieved in October 2020.

As reported elsewhere in this report, Wesizwe, with the support of several Chinese and local suppliers, donated food parcels to our host communities, Ledig and Phatsima in the North West Province, in an endeavour to assist the more than 800 families affected and impacted by the lockdown. As was expressed by Ms Boitumelo Moiloa, Member of the Executive Council responsible for Social Development, this action is a worthy example of how China partners with Africa to fight Covid-19; together and jointly building an even closer China-Africa community with a shared future. This aligns well to the appeal made by China's President Xi Jinping, in the Extraordinary China-Africa Summit on Solidarity against Covid-19, an event co-hosted by China, South Africa and Senegal in June 2020.

Although the number of new coronavirus infections is still climbing, we anticipate improved conditions and significantly better performance in 2021 with the roll-out of the Covid-19 vaccine and increased global solidarity that is strengthening across all markets.

We are also seeing global stock market recovery with the NASDAQ Composite Index at an all-time high. Additionally there is a significant increase in Platinum Group Metals (PGM) prices, as indicated with Rhodium increasing by 184% to \$15 639/oz in 2020 and gold climbing by 66% to \$1886/oz.

These favourable price escalations, and noting the forecasts provided by industry experts, confirms Wesizwe management's assessments that a long-term positive outlook for commodity prices should remain positive. We expect this trend to continue in the short- and medium-term based on existing sector growth, but with the addition of an escalation in demand from Hydrogen Fuel Cell manufacturers.

**Table 3: Long-term price assumptions
(in today's Money)**

(US\$/oz)	US\$
Pt price long-term	1 177
Pd price long-term	1 297
Rh price long-term	8 716
Au (gold) price long-term	1 347

CAPITAL INVESTMENT

The main priority for Wesizwe is the development of the BPM Project reaching production. The investment in 2020 of R2.4-billion is largely directed towards the flat development of the mine and the processing plant, underpinned by continuous project optimisation to ensure improvements in cost containment and cash flow. Wesizwe will continue to focus on cost containment in 2021, while also giving focus to the critical path capital that is required for the completion of the mine. Management expects revenue to follow in Q4/2021 from the sale of concentrate.



Financial capital funding of the Company's BPM project, and other ancillary programmes, is largely sourced in US Dollars. A transaction agreement with Jinchuan Group Limited and China-Africa Development Fund allowed for a US\$227-million investment, in exchange for 45% equity and 6% B-BBEE equity funding. In addition, in 2013, US\$650-million project development funding was secured from the China Development Bank (CDB).

As at 31 December 2020, the full facility US\$650-million had been drawn down. The utilisation of such funds was affected by currency fluctuations against the South African Rand. Management, with the support of CDB and shareholders, was able to defer the mid-year capital and interest payments to year-end, and has obtained a US\$41-million shareholder short-term loan to pay the full year capital and interest due in December. The delay in capital and interest payment at half year saw a significant saving in realised forex loss as the Rand was significantly stronger at year-end than mid-year.

In order to address shortfall funding, management has made great strides in securing a new consortium bank loan from a number of major banks in China, which will restructure the overall financial capital funding of the Company and support the final outputs towards production.

SOCIAL AND RELATIONSHIP CAPITAL

The Company acknowledges that sustainable development is a strategic business imperative. Our approach focuses on ensuring the long-term success of the BPM, while simultaneously contributing to the economic growth of its local communities.

On a practical level, and as disclosed on pages 58 to 61, we endeavour to contribute to our local communities' overall prosperity through various mechanisms, namely:

- the creation of jobs;
- investing in skills development and training;
- through support of local business through goods and services procurement; and
- the creation of effective Social Labour Plan (SLP) programmes.

PROCUREMENT

Wesizwe recognises the need to participate meaningfully in the socio-economic empowerment of previously disadvantaged South Africans in general, and our host communities in particular. To this end, we have identified preferential procurement as one of the strategic pillars and which is a catalyst that will increase participation of local and historically-disadvantaged (HD) individuals in the procurement of goods and services. Over the past few years, the Company has demonstrated this commitment by extending its supplier base to include the participation of emerging and established HDSA businesses, thereby contributing to the economy of the country and to ensure shared value.

The table on page 40 indicates a journey of progression of procurement from HDSA's in line with the targets set by the Mining Charter for expenditure such as mining goods and services.

Our performance (continued)



Financial capital (continued)

Table 4: Mining Charter preferential procurement performance

Spent category	Compliance target for 2019	Actual 2019 % spend on B-BBEE compliant entities and above	Value spent in Rands	Compliance target for 2020	Actual 2020 % spend on B-BBEE compliant entities and above	Value spent in Rands
Mining goods	44%	88%	243 912 390	48%	38.4%	101 775 288
Services	70%	91%	176 780 701	80%	61.53%	162 775 397
Total			420 693 091			264 550 685

The 2020 HDSA spend performance was greatly affected by the Covid-19 pandemic and targets were not adjusted to factor in the effects of lockdown, which resulted in less activity in the procurement space.

In a drive to improve host community participation, several initiatives have been implemented to increase participation of host community suppliers: from R24.43-million in 2019 to R30.24-million in 2020.

These initiatives leverage not only commodity type procurement but stretches to the strategic and core mining activities by local businesses. The participation of local businesses in these key areas further emphasises the commitment of the Company to maximise its investment in local communities.

Wesizwe has increased its footprint in community suppliers by:

- Creating a local supplier database;
- Open and robust engagement with local forums on issues that may affect a healthy mine and ensure a strong community relationship;
- Supplier Day's to ensure closer interaction, to simulate motivation and entrench encouragement with existing suppliers, as well as sharing best practices to enhance the skill base of host community companies; and
- The creation of jobs by encouraging new suppliers to appoint local labour, and through procurement initiatives.

ENTERPRISE AND SUPPLIER DEVELOPMENT

The BPM, in collaboration with the National Empowerment Fund (NEF), have formalised an Enterprise and Supplier Development Partnership Agreement whereby the NEF will assist the BPM in the acceleration of B-BBEE through the Enterprise and Supplier Development Fund. The BPM and the NEF equally contributed R3-million towards the success of this initiative.

The funding to applicants is considered as a loan, starting with minimum entry of R250 000.00, which is repayable at 0 – 5% interest, or as determined by the Investment Committee. The BPM and NEF Steering Committee undertakes assessments of the applications before being submitted to the NEF Investment Committee for a final decision, and retains the right to approve or decline the application.

The main objective of the initiative is to facilitate sustainable partnerships between established BPM suppliers and emerging entrepreneurs within the mine's host community, through empowering Historically Disadvantaged Persons Owned and Controlled Companies, and B-BBEE entrepreneurs as defined in the Mining Charter; which shall be existing or new BPM suppliers.

Table 5: Wesizwe's key SLP Investments over the past five years

Programmes	Value spent
Gabonewe Housing Project	R147.9-million
Community infrastructure	R0.6-million
Water supply to local communities	R15.9-million
Zwartkoppies Agricultural Project	R19.1-million
Learnership	R6.4-million
Portable Skills	R6.2-million

The Social and Labour Plan for the period 2019 – 2023 was submitted to the DMRE. This latest version complies with the requirements as outlined in the latest Mining Charter, more specifically those related to having a social license to operate. Beyond compliance, the SLP is aligned to the holistic approach the Company takes towards the development of the mine, and is indicative of the fine balance aimed for between social and environmental factors and sound economic considerations.

Wesizwe intends to invest R235-million into the social development of the local host community and BPM employees during the period 2019 – 2023.

ACKNOWLEDGMENT

The finance team has built on the groundwork laid over recent years and continues to further improve on all finance functions including reporting, contributing to the management of cost and liquidity, and in ensuring that all statutory requirements continue to be met. This is evident in the great results obtained when audited as part of a risk-based approach internal audit.

I would like to acknowledge all employees, particularly those in the finance department, for their devotion in fulfilling their roles and continued efforts to support the Company and its goals.



Jianguo Henry Liu
Financial Director

Table 6: Value created by business

	At 1 January 2020 R'000	Spend for 2020 R'000	At December 2020 R'000
Bakubung Minerals (before consolidation Jnls)			
Owners cost and pre-production overheads	4 150 562	1 552 719	5 703 281
EPCM costs	579 017	6 349	585 366
Housing Development & Community projects	195 652	274	195 926
Process plant	188 111	382 601	570 712
External bulk power and water supply	274 799	5 310	280 109
Capital footprint development	429 456	375 955	805 411
Ventilation shaft sinking and development	1 021 264	13 108	1 034 372
Main shaft sinking and development	1 152 016	5 422	1 157 438
Shaft surface complex infrastructure	300 222	22 920	323 142
Surface infrastructure	128 688	3 203	131 891
Tangible E&E	454 368	–	454 368
Decommissioning assets	25 910	(9 026)	16 884
Intangible assets	437 413	–	437 413
Business Systems	1 097	5 539	6 636
Other property plant & equipment	52 915	4 066	56 981
Total project	9 391 490	2 368 440	11 759 930



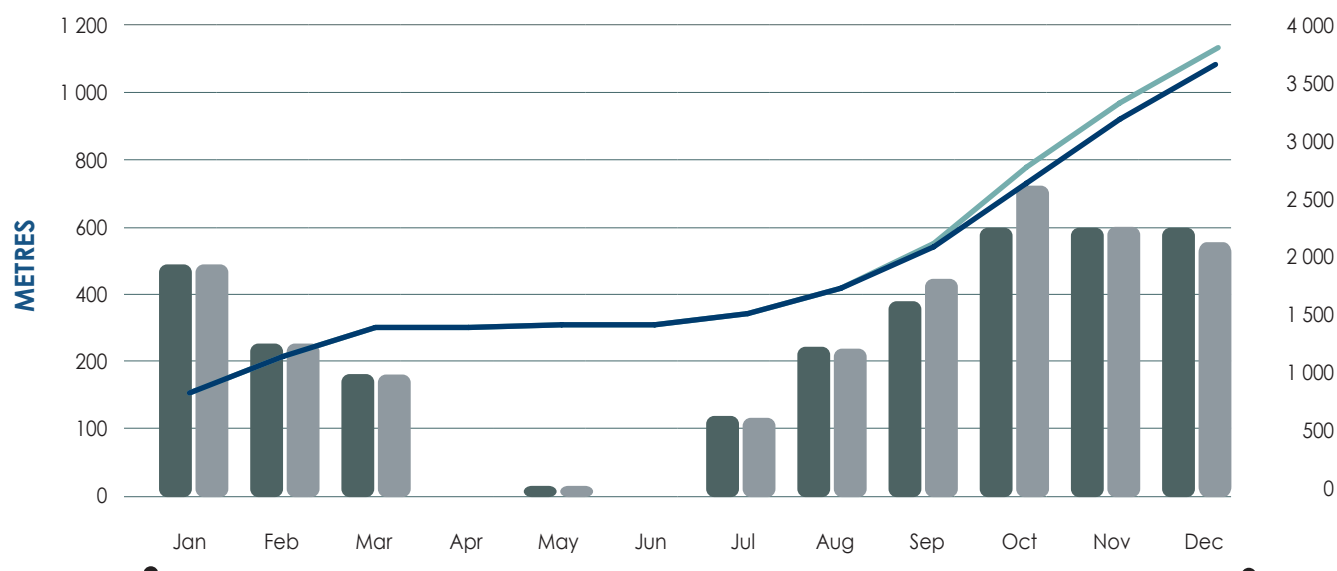
Built (Manufactured) capital

Mr Jacob Mothomogolo
Executive General Manager

DEVELOPMENT PROGRESS

The project achieved a total 3 791m development metres versus a plan of 3 654m. This represents a 103.7% achievement, which is largely attributable to the strict performance management of the development contractors by the Company management team. A total of 64 329m³ was blasted versus a plan of 64 672m³ representing an outstanding performance of 99.5%, a total of 189 860 tonnes was developed versus a plan of 192 308 tonnes, also representing an outstanding performance of 98.7%. The small variance in development cubic metres and tonnes was due to the varying excavation sizes within the station development footprint especially on 77 and 81 Levels. The run chart figures that follow, illustrate the progress:

Figure 8: Total development metres: plan vs actual



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Board Plan (m)	480	342	274	0	25	0	105	238	390	600	600	600
Total (m) including equivalent	480	342.3	273.7	0	25	0	105	238	423	719	602	584
Cum Variance (m)	0	0	0	0	0	0	0	0	33	151	153	137
Board Plan Cum (m)	480	822	1 096	1 096	1 121	1 121	1 226	1 464	1 854	2 454	3 054	3 654
Actual Cum (m) including equivalent (m)	480	822.2	1 096	1 096	1 121	1 121	1 226	1 464	1 854	2 605	3 207	3 791

Figure 9: Total development cubic metres: plan vs actual

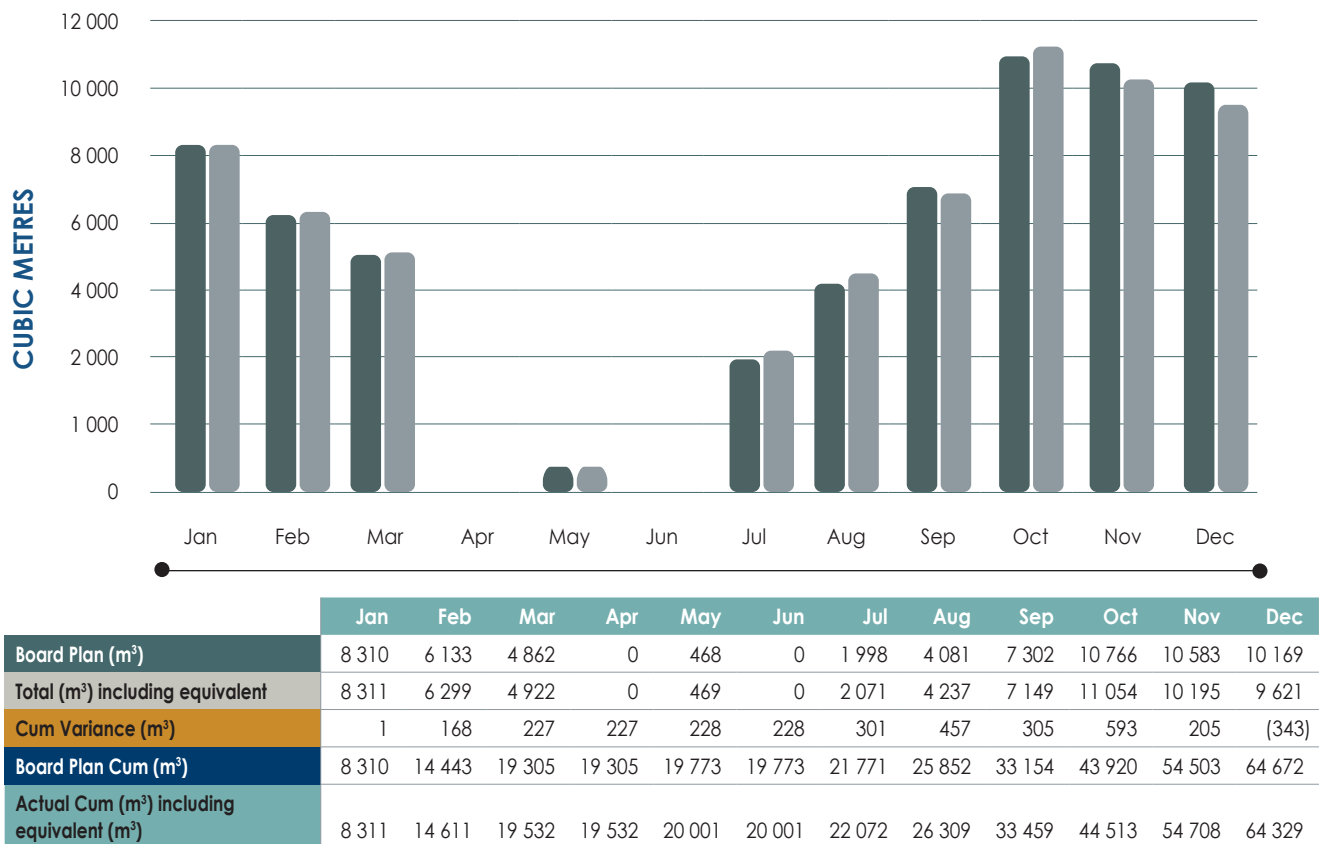
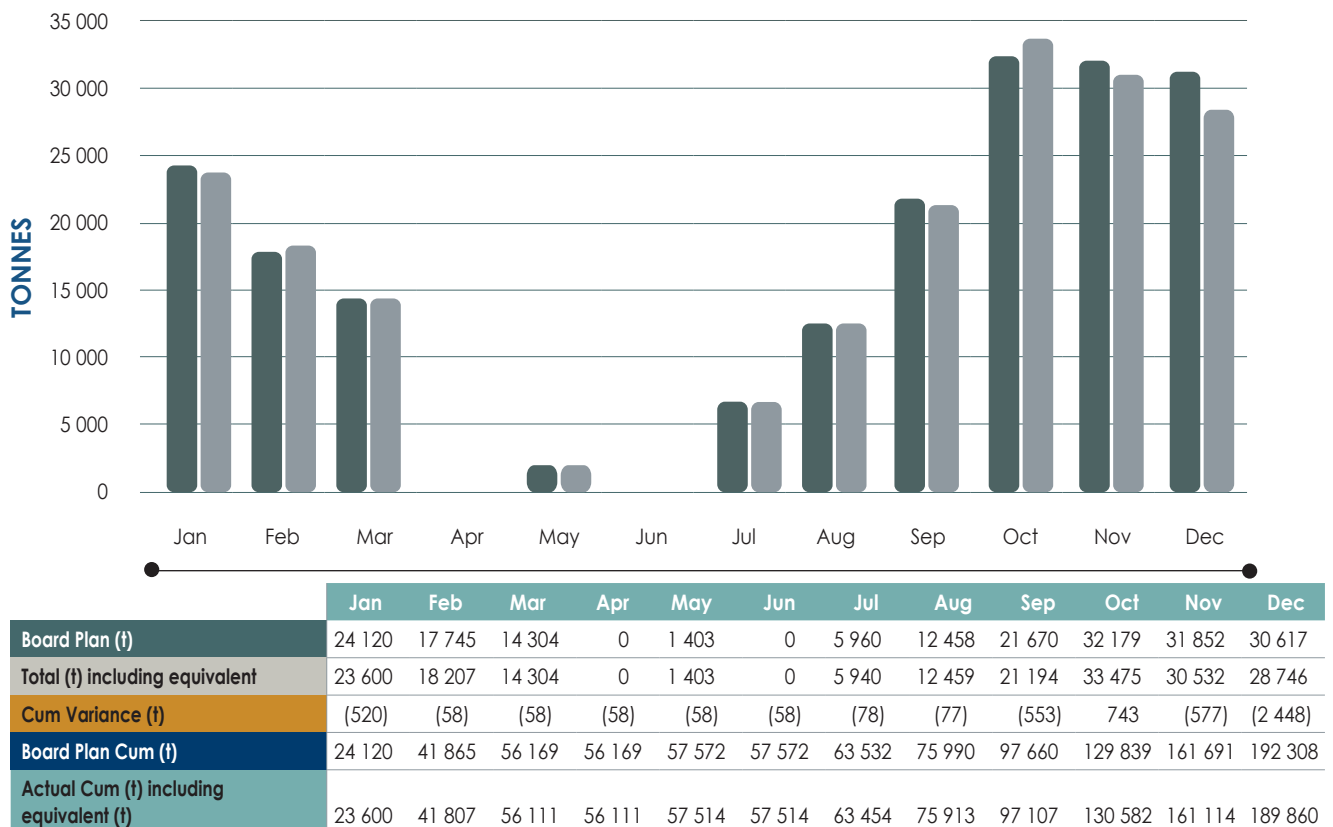


Figure 10: Total development tonnes: plan vs actual



Our performance (continued)

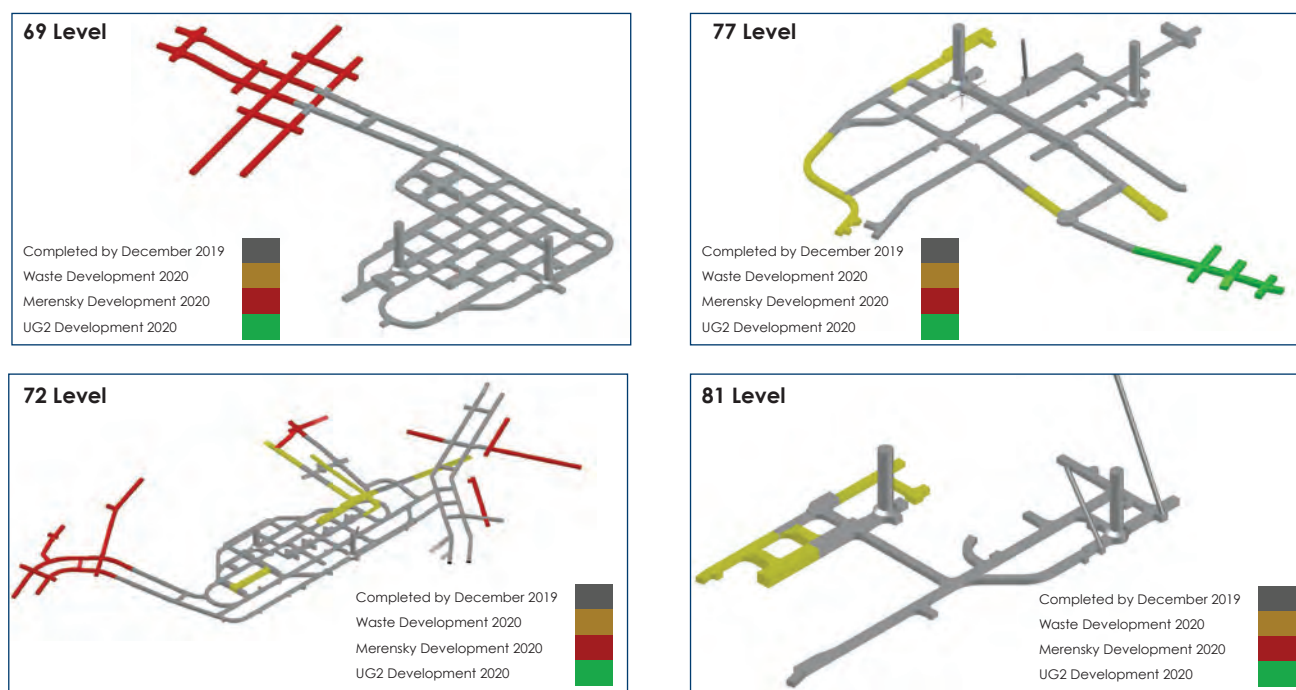


Built (Manufactured) capital (continued)

Development footprint

The development footprint is shown in the figure below:

Figure 11: The capital footprint development for the entire mine on all Levels



Shafts and logistics

The rock and people hoisting infrastructure has been performing in excess of 92% availability for the year 2020. The maintenance team has ensured that the system is efficient for the delivery of the year's plan. The rock hoisting system ensured that all the rock blasted was hoisted successfully. The system has proven its capability given the main focus being to stretch the system to its full potential. Our major challenges were on the tramming distances and surge capacity of the waste ore-pass.

All the excavations for the construction of the Merensky and the UG2 silos have been completed and the construction will commence in the first quarter 2021. This will therefore alleviate the capacity bottleneck in the ore handling system. Additional conveyor belts shall also be constructed to convey ore from sections to the silos and this will furthermore maintain the safe tramming distances.

Bulk services

Electricity demand

The figure depicted on page 45 is the overall power consumption of the mining complex. The entire complex has consumed about 31 500 MWh for the whole year, at an average of 2600 MWh a month, see figure on page 49. This is a 22% increase year-on-year in consumption and is attributed to the increase in the ventilation requirements and the increase in manpower.

Our major risk is rescuing employees from underground during the event of total power outage. To mitigate this risk, the mine has purchased a 8 MW diesel generator to enable bulk shift. This is an upgrade on the currently installed 1.6 MW diesel generator which can only evacuate 10 employees per trip. Upon commissioning of the 8 MW diesel generator by fourth quarter of 2021, the mine will be capable of evacuating 160 employees in a single trip.

The design for the 33/11kV Process Plant substation has been completed and the construction will be completed by second quarter of 2021.

Figure 12: Power consumption

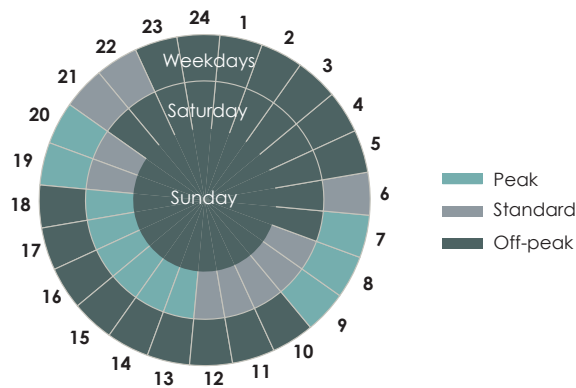
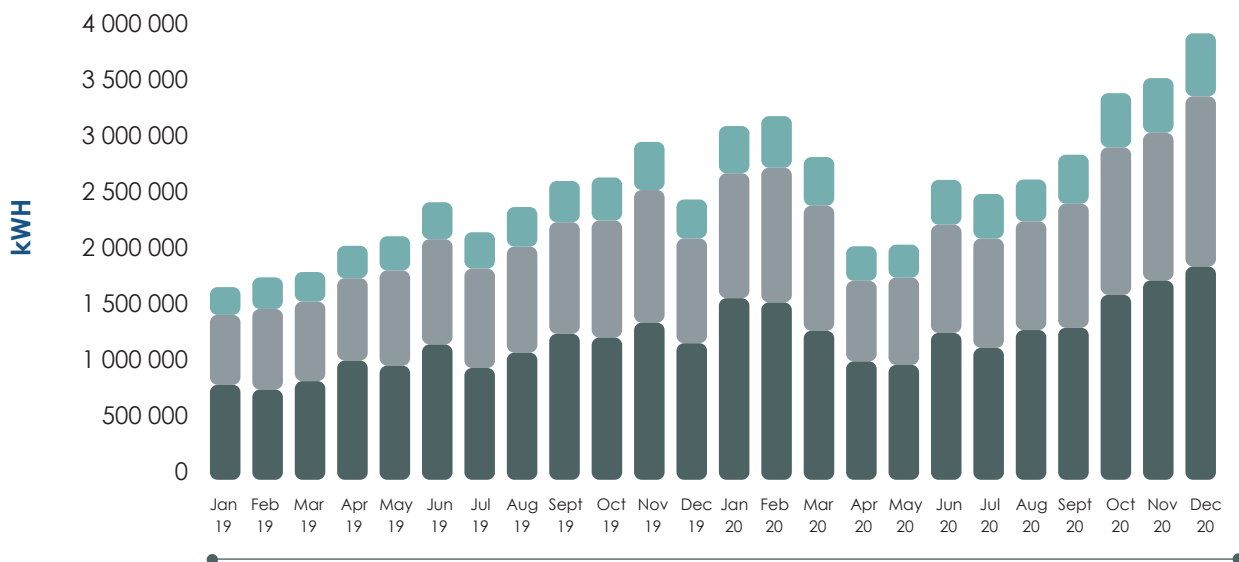


Figure 13: Power consumption



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Off Peak kWh	758 234	720 290	787 276	951 438	911 065	1 080 012	892 222	1 015 029	1 165 032	1 135 305	1 253 870	1 089 915
Std kWh	558 064	643 502	635 082	657 310	759 452	840 317	793 233	846 133	890 518	934 371	1 058 854	836 335
Peak kWh	221 590	251 861	236 249	258 784	273 208	294 750	290 395	315 997	329 483	343 246	384 462	310 943

Our performance (continued)



Built (Manufactured) capital (continued)

Water demand

Water is one of the major services that is required to ensure efficient drilling and it is therefore the key focus to ensure that the milestone of achieving 1 million tpa and later 3 million tpa is achieved. The mine has accelerated the schedule by opting for the constructed high rate clarifier instead of the conventional conical settlers underground.

Dirty water handling infrastructure is key to ensure that the mining production milestones are met. The above ground structure has been delivered and shall be commissioned the third quarter of 2021. This system encompasses the dirty water dams underground and the storage tanks on surface. The installation of the surface tanks and connections will be completed in the first quarter of 2021 (see Figure 14).

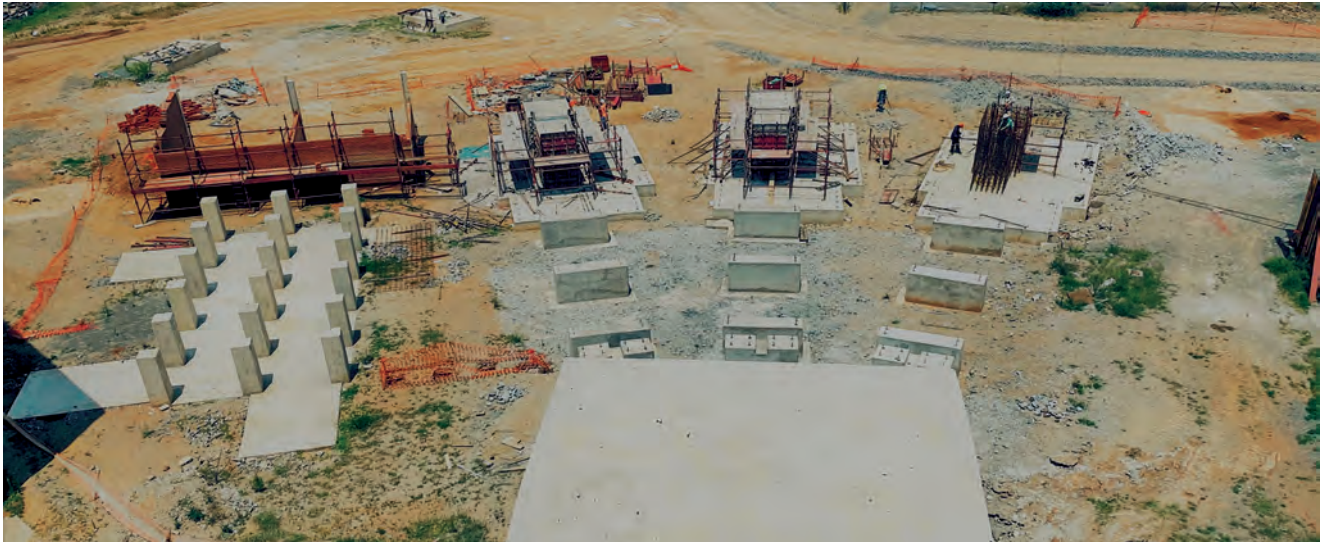
Figure 14: Water storage tank



Mine return water storage tank

Ventilation

The 4 MW capacity surface fans construction is well underway. The civil construction is completed and the mechanical, electrical installations and commissioning will be completed in the second quarter of 2021. The commissioning of this project will enable the mine to ramp up in production.



Main ventilation fans foundation

PROCESS PLANT

As previously reported, the Company moved with speed to finalise the EPC/Turnkey Projects Conditions of Contract, for the engineering, procurement, construction and commissioning of the Process Plant, with the Company appointing Sinosteel Equipment and Engineering for the engineering and procurement scope, supported by CBMI for the construction scope. These contracts were concluded in September 2019. Additionally, COENG was appointed to provide support and supplement the Company's management team overseeing the EPC contractor.

The front-end design of the 1 mtpa first module plant began in October 2019 and continued into 2020, and module 2 will bring the total plant throughput to 3 mtpa, commencing in June 2024. Long lead items such as the mills, crushers and filters were specified and procured from Q2 2020 and were delivered from Q4 2020. At the end of 2020, the filters were delivered with the mills and crushers are expected in February 2021.

Construction site establishment began in February 2020 but was delayed by the Covid-19 lockdown from end of March 2020 for effectively four months.

The high level schedule for the plant construction follows:

Table 7: A Summary of the Process Plant construction plan

Description	Updated Schedule (Dec 20)	
	Start	Finish
EIA and WULA amendment	25 Sep 19	12 Apr 21
Execution EPC concentrator contract – EPC	25 Sep 19	20 Sep 21
Power	6 Dec 19	16 Aug 21
Tailings facility (including commissioning)	4 May 20	6 Sep 21
Upfront ore handling – EPC	9 Mar 20	23 Aug 21
Operational readiness activities	3 Feb 20	24 Nov 21
Cold commissioning	20 Sep 21	20 Oct 21
Hot commissioning	20 Oct 21	29 Jan 22

Our performance (continued)



Built (Manufactured) capital (continued)

We experienced delays in 2020 due to a number of unavoidable factors, ranging from protracted negotiations prior to acceptance of a detailed schedule, delays in the awarding of tenders on the critical path, delays in the finalisation of geotech reports due to unforeseen circumstances, Covid-19, rain and other operational challenges. We have analysed the impact of the delays and will ensure that construction activities are conducted over a 24-hour cycle from March 2021. This will ensure that the planned commencement of hot commissioning is achieved.



Process Plant tailings sections



Process Plant flotation section

The budget for the current module is R1,1-billion with 60% spent on engineering and procurement, and 20% spent on construction activities by December 2020. The plant construction is currently on budget. In order to deliver on set targets for the Process Plant, the following critical path activities will be prioritised in 2021:

- Front-end design will be completed in February 2021;
- IWULA and EMPA amendment approval is anticipated to be granted in April 2021;
- The reef stockpad will be completed in September 2021;
- Earthworks and civils to be completed in June 2021; and
- All equipment fully installed in September 2021.



Site overview



Railbins excavation

SAFETY AND HEALTH

Safety

Regardless of the devastating impacts of Covid-19, the Company faced its safety and health challenges head-on and continued to promote the daily mantra of zero harm to employees.

Given the mine is in its final phases of development, we regularly adopt new procedures to ameliorate challenges and risks we encounter or can anticipate, and do so in consultation with unions, relevant stakeholders or experts in their field, and within the Company structures.

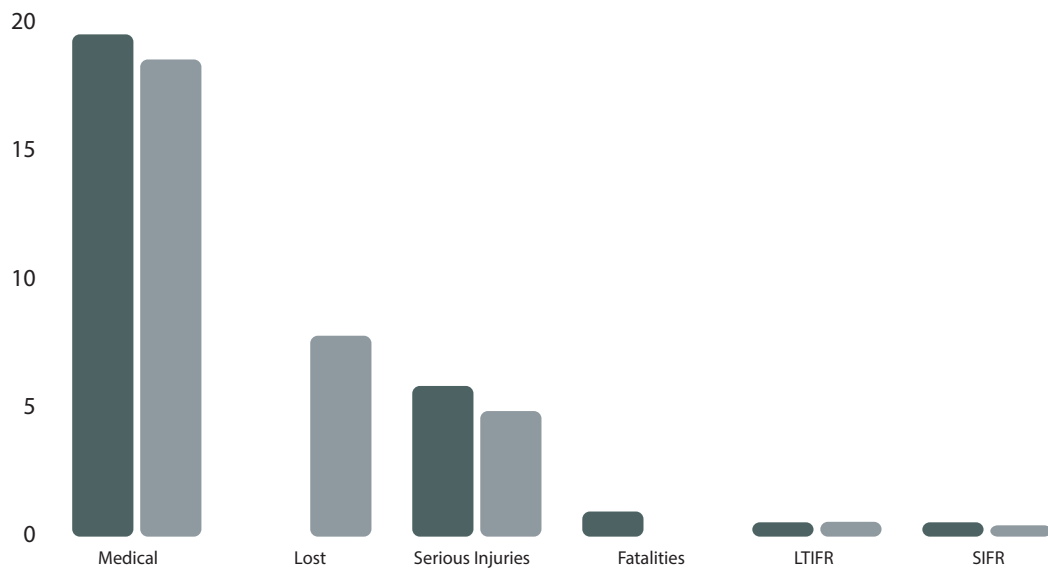
The introduction of new or revised processes and mitigating measures, be those procedures, risk assessments or lesson plans, are aligned to training programmes to enable the Company's employees to perform their tasks with safety awareness. We also provide, on a monthly basis, platforms for discussion, imparting knowledge gained from lessons learned, and continuously engage with our employees on health and safety matters backed by conspicuously displayed communications.

We were deeply saddened by the loss of one of our employees in an underground accident during May. Mr Wu Chongfeng was one of the mine's Chinese National employees, committed to his work, and considered a highly-valued member of our diverse team. Covid-19 lockdown travel constraints meant we were only able to convey our deepest sympathy to his family by means of personal messages recorded by our executive management.

During the year we hosted the office of the Chief Inspector of Mines 13 times. Five of these visits resulted in statutory instructions; four Section 54's and one Section 55. We value the DMRE inspections as each contributes towards a higher level of safety awareness and practices, and adoption, where necessary of improved working conditions.

The Company has put considerable effort into the establishment of its own Mine Rescue Services with the successful establishment of a rescue command room and two teams, headed by the chief engineer, Mr Gordon Mosesane in the capacity of Mine Rescue Services Manager.

SAFETY STATISTICS 2020



	Medical treatment cases	Lost time injuries	Serious injuries	Fatalities	LTIFR	SIFR
Actuals 2020	20	0	6	1	0.57	0.57
Benchmark	19	8	5	0	0.59	0.45

Our performance (continued)



Built (manufactured) capital (continued)

HEALTH

The mine's employees regularly have to overcome complex technical challenges, and more so during intense periods of exceptionally demanding workloads. We are therefore heavily dependent on the wellbeing of our employees, and recognise the importance of occupational health and wellness programmes. We have recorded one case of tuberculosis. We are making headway given we have not recorded any cases of dermatitis and noise-induced hearing loss during the reporting period.

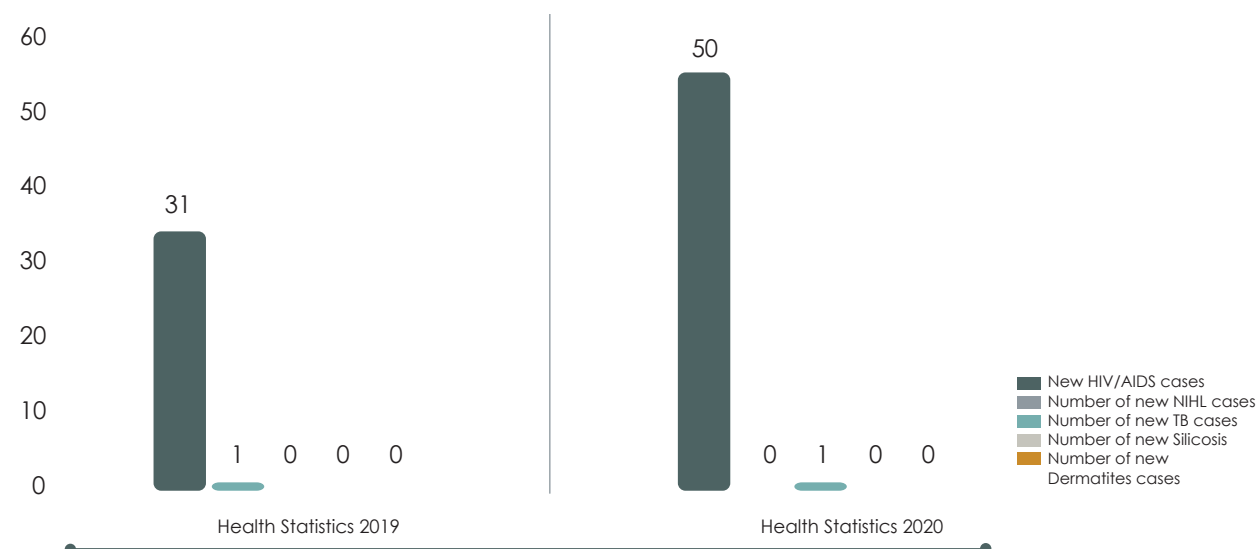
Regretfully however, we experienced a significant increase in the number of new HIV/Aids cases in 2020, compared to 2019. As with all individuals who have health-related issues, the HIV/AIDS employees

are thoroughly monitored through the coordination of our designated medical facility and appointed occupational medical practitioner.

Forthcoming in 2021, is the appointment of a full time health and wellness coordinator, who will be responsible to monitor infected personnel in terms of their vitals, daily diet and nutritional intake. The health and wellness coordinator will also maintain records of such check-ups and will additionally offer counseling to those in need.

HIV/Aids remains a priority for 2021, as will coaching and monthly talk topics around taking care of ourselves and other's. Total number of tests performed on HIV are 1877.

Figure 15: Bakubung Health Statistics 2020



BPM MRS Team: From left: Daniel Legare, Lebogang Kabasia, Shaun Belstead (Vice-Captain), Robert O'Reilly, Gordon Mosesane (MRS Manager), Roelf Minnaar (Captain), Rudi Botha, Hanru Erasmus and Solomon Mhlanga.

Natural capital

MINERAL RESOURCES AND MINERAL RESERVES

This IR does not carry the Mineral Resource and Reserves Statement as required by the JSE Listings Disclosure Requirements. The competent person's report (CPR) for the BPM valuation studies was finalised and submitted to the Company. Management reported to the Board that third party reviews by other industry specialists are still ongoing, it is for that reason that the Board of Directors could not approve the disclosure of the currently completed CPR, which will be disclosed as soon as the studies are completed, which will not be beyond the publication of our IR 2021.

OUR APPROACH TO ENVIRONMENTAL ASPECTS

An integrated management approach is applied in support of the Company's strategy to environmental management, and is incorporated into an ISO 14001 environmental management system (EMS).

BPM's ultimate goal is to fully align the EMS to the Company's environmental policy, the intended outcomes of which include: enhancement of environmental performance; fulfilment of compliance obligations; and achievement of environmental objectives.

PERFORMANCE MONITORING OF ENVIRONMENTAL ASPECTS

Materials

The mine is reliant on non-renewable resources to facilitate its intensive construction activities on site, inclusive of development, operations and surface construction. The current material usage is formwork, reinforcing steel, structural steel, concrete, aggregate material, and cabling. The responsibility for recording the quantities of materials used and reporting these to the Company's management, falls to individual contractors.

In previous years the mine has disclosed on materials usage, however materials usage data for 2020 is not disclosed due to continual and ongoing revision and implementation of material usage strategies and principles. Disclosure will however be reported in future.

Energy consumption

Mine energy consumption is determined from utility bills and the Company's SAP system. The data is captured manually by the organisation's environmental data capture team, who track consumption patterns. This is internally and externally audited on an annual basis to ensure accuracy and consistency in the manner in which such data is communicated within the business.

During the reporting year, the following energy sources were consumed at our four BPM project operational sites: the regional office situated in Boshhoek; Wesizwe Platinum Limited head office in Rivonia; Zwartkoppies farm (used for the SLP project); and the information center in Ledig. The total electricity consumption for the year in review was 32 139 231.95 kwh.

Water

Water consumption

The Company does not extract or withdraw water from the ground and surface sources such as wetlands, rivers and lakes. Since 2016 the Company has been measuring rainwater and conceptually calculates water balance.

Portable water to the mine site and the information centre is supplied by Magalies Water. Head office, which is situated in Rivonia, is receiving water from Johannesburg Water.

Water consumption is measured on a daily basis and reported to the environmental department monthly. Consumption figures indicate that Magalies Water supplied the mine site and information centre with 142 351.00 kl and temporary housing having received

Our performance (continued)



Natural capital (continued)

59 857.00 kl. Johannesburg water supplied 1219.79 kl.
Total consumption is 203 427.79 kl.

On-site water is recycled for re-use underground or collected from the pollution control dam, which is then treated and used for mining activities. Recycled water is also used for dust suppression or control of dust nuisance and air pollution.

Water quality

BPM is an underground operation approximately 32 km north-west of Rustenburg in the A22F quaternary catchment. The site is north of the non-perennial Elands River, which flows into the Limpopo River.

Groundwater is the sole source of water for many of the surrounding households and farms, and is mainly used for domestic supply, and for the watering of gardens and livestock. It is therefore essential that an accurate monitoring programme is in place to identify any potential groundwater quality impacts for management or mitigation.

The current BPM surface water and groundwater monitoring programme is undertaken by Aquatico. The BPM is in possession of a water use licence (WUL) No. 26064730. The WUL indicates water quality limits for the disposal of waste water into a pollution control dam.



Water treatment plant facility

Bio-monitoring

The final field assessment took place in September 2020. The conclusions below are drawn for the systems assessed during the late winter assessment, the delay caused by national lockdown.

The Surface Water Monitoring point 1 (SW1) upstream was not assessed during September due to dry conditions. Water quality of the Elands river was regarded as poor prior to any potential impact of the BPM activities, as was measured at Surface Water Monitoring point 2 (SW2).

Electrical Conductivity (EC) was measured and considered elevated (> 30 mS/m) at both sites, SW2 (upstream of BPM) and Surface Water Monitoring point 3 (SW3) downstream of BPM. Both sites also showed Dissolved Oxygen (DO) was low ($< 60\%$ saturation) and pH measured largely natural (< 8.4). Spatial comparison suggests catchment-wide impacts prior to any BPM mining activities.

The macro-invertebrate community of the Elands river was Largely Modified (Category D) according to the Macro-Invertebrate Response Assessment Index's (MIRAI) Ecostatus tool. This is attributed to catchment-wide impacts and diffuse sources of pollution, again prior to BPM activities. In addition, the community has been largely shaped and influenced by a lack of suitable habitat, lack of flow continuity, prolonged drought conditions (compounded by impoundments within the system), and erratic rainfall patterns.

The water sampled at site Surface Water Monitoring point 4 (SW4) – the Pollution Control Dam – currently poses a Slight Acute Toxicological Hazard (Class 2). The EC level measured was significantly lower compared to site SW2 (natural receiving environment surface water conditions) on the Elands river.

Dissolved Oxygen Concentration was within the recommended range (80% – 120%), showing an improvement when compared to the Elands river. The dam level was moderately low at the time of the assessment, however adequate freeboard was available and thus the risk of discharge to the receiving environment from this lined facility was deemed low to moderate.

Seasonal flows, lack of permanent flow continuity, and lack of diversity of habitat cover and depth profiles are considered natural constraints that shape the aquatic communities present at the respective monitoring points. In addition to these, organic input from surrounding cattle farming activities have also contributed to the long-term variability in EC and DO observed prior to BPM activities. At the time of the September 2020 assessment, overall potential impact from BPM was thus not considered to be significant.



Biomonitoring on the Elands river adjacent to BPM

Carbon emissions

With the introduction of Carbon Tax, the Company's emissions have become important material aspects. We have provided data on all emissions, inclusive of: scopes 1 and 2 for the project site; head office; regional office; and the information centre. The formula used is based on the World Business Council for Sustainable Development/World Resources Institute (WBCSD/WRI) Greenhouse Gas (GHG) Protocol.

Air travel and accommodation factors, and scope 1 emissions have been excluded for 2020. Published emissions factors have been applied to direct energy measurements taken at the site.

During the year in review, scope 2 – 32782.01659 CO₂e emissions were calculated with conversion factors used for emissions measurement. The conversion factors utilised are adopted from the

Department of Environment, Food and Rural Affairs, United Kingdom (DEFRA). The Company also used the 2020 published Eskom factor for electricity.

Waste management

The Company does not release polluted water into the environment. Two pollution control dams are located downslope of construction activities, and the mine has settling ponds that are used to contain water from underground, which is treated at the Vent Shaft dam before being recycled back to the mine. All dirty water on site is channelled to the dams via concrete lined V-drains.

Waste rock mined during construction phases is stored on the waste rock dump. From 2015, waste rock has been used for road construction. As a result, the volume of the dump has decreased and there are plans to continue using such waste rock for the ongoing construction of the housing development and process plant, both of which will further reduce the volume of the dump.

In 2020, as the process project commenced, waste rock dump was utilised for road and construction backfilling. The benefit of reusing rock dump reduces the aesthetic impact, and minimises land rehabilitation costs when the mine closes.



Water pumped at pollution control dam

Our performance (continued)



Natural capital (continued)

During the year under review, BPM has managed waste according to the National Environmental Management Act: Waste Act 59 of 2008, by enforcing reasonable measures for the prevention of pollution and ecological degradation, and for securing ecologically sustainable development.

Waste is transported to the waste transit area where it is separated for recycling into waste wheelie bins and drums. Types of waste separation include: general, paper, glass, plastic and cardboard. Contaminated masks and straws were treated as medical waste during 2020. The introduced management of such waste remains in place, and is managed by a waste contractor. Disposal certificates are monitored as per waste legislation.

Table 7: Waste type

Waste type	Volume and unit
General	21 259 kg
Steel	180 100 kg
Hazardous	92 017 kg
Recyclable	28 703 kg

In July 2020, the BPM environmental team, together with the stakeholder engagement team, attended a Mandela Day Celebration hosted by all Ledig Community Schools. Waste bins were donated as part of BPM SLP Environmental Project, as well as school shoes and masks.



Mrs Keneilwe Mntambo, Environmental Specialist on one of the recycling station at the mine

Environmental audits

During the reporting period the Company showed no major non-compliance during the internal and external audits, and no significant spills into the environment were recorded. All environmental incidents and substandard, policy and procedures are audited as part of the external water use licence and environmental authorisation audits.

The external audit, conducted by Naledzi Environmental Consultants during October, revealed that the BPM is 90% compliant with its environmental authorisation, water use licence, and the environmental management program reports conditions.

Management accepted the auditor's recommendations for the introduction of an on-going effective environmental training programme,

which could contribute significantly to improving compliance and support the meaningful implementation of regulations. This will also give more credence to BPM's value of "Zero harm to people and the environment" and its sustainability objectives.

As part of the close-out of the observation and non-compliance, BPM initiated environmental awareness training, which included attendees from management. The training was inclusive of environmental authorisation, mining rights, licences, and general environmental awareness.

Land leased or owned

The mining surface lease area covers an area of 494.1461 hectares of Frischgewaagd Farm. In 2020 fewer mining activities occurred thus there was no impact on the land, however topography was recorded.

Biodiversity

In compliance with EIA and Water Use Licence amendments, the design of infrastructure located within sensitive areas has been optimised to ensure minimal impacts on sensitive areas. No activities occurred adjacent to the river, which is considered as one of the sensitive areas.

All animals found within the mining environment, such as snakes, are not killed but removed and released away from employees and mine activities.



A Herald snake removed from the salvage yard by Mr Victor Williams, our safety officer and snake catcher

During Arbor month in September 2020, BPM executives, management and employees made a commitment to plant trees and plants along the access road of the mine. Ensuring the protection of plants and unnecessary removal or trees was the environmental department.

Air quality monitoring

Dust fall-out

16 dust buckets are located on the BPM site, and within and beyond the host community environs. Monthly sampling is in accordance with the American Society of Testing and Materials Standard method for the collection and analysis of dust fall (ASTM D1739). Results are analysed against the National Environmental Management Act: Air Quality Act, 2004; and National Dust Control Regulations (2013).

The monitoring programme results indicated that 100% of the samples received fell below the SANS 1929:2005 target value of 300 mg/m³/day, with a limited number below the residential limit of 600 mg/m³/day.

Environmental expenditure, rehabilitation and closure plan

As required by the DMRE, a financial guarantee payment of R36.2 million was duly deposited with the DMRE. This deposit is held by a financial institution to ensure that sufficient funds are available for rehabilitation and closure, should this be necessary. The organisation has submitted mine closure and rehabilitation costs, calculated according to the quantum format.

New suppliers that are screened as per environmental criteria and negative environmental impacts in the supply chain and actions taken, are not disclosed but will be incorporated in future.



Tree planting celebration at BPM



Mr Hamlet Morule
Corporate Affairs Executive

OUR APPROACH

Meaningful and impactful stakeholder inclusiveness remain a material principle guiding our overall strategy. Stakeholder inclusiveness is material as the Company manages the expectations and interests of our stakeholders, and devises strategies intended to meet such expectations or provide feedback in instances where those are impossible to meet.

We define our stakeholders as those who have a direct or indirect impact on our business, or who are directly or indirectly affected by our operations. We have always acknowledged that stakeholders are material to success as it is they that have the ability to influence business outcomes. We thus focus on establishing and building mutually-beneficial relationships with stakeholders to achieve a common positive end. Emphasis is on maintaining all our strategic partnerships, ranging from the host

community, suppliers, NGO's, government, unions and other interested parties.

The dynamics in play during 2020 were strongly influenced by the Covid-19 pandemic, the resulting national levels of lockdown and introduction of the National Disaster Management Regulations. These factors constrained usual activities and had serious implications on our usual stakeholder engagements.

We did however maintain engagement with the host community and other stakeholders, following Covid-19 regulations. One such was the crucial stakeholder engagement forum (SEF) meeting, in September, to give feedback on the implementation of the 2019–2023 SLP, and which was also used as a platform to launch the Enterprise Development Funding programme in collaboration with the National Empowerment Fund (NEF).



Mr Hamlet Morule chairing the Stakeholder Engagement Forum



Members of the SEF observing strict COVID-19 rules



Mr Isaac Lelaka from the NEF unpacking the NEF/BPM Agreement in the SEF



Mr Tertius Chiloane presenting the LED programs to the SEF

The following table provides a summary of consultations with our stakeholders during the period under review.

Measure for stakeholder engagement

RED – Improvement required	When the engagement has totally failed and requires urgent and decisive intervention by the Company.
AMBER – Good	When the Company considers its engagement as adequate and beneficial to both parties, however has room for improvement.
GREEN – Excellent	When the Company considers its engagement as progressive and meaningful to the full satisfaction of the stakeholder.

Stakeholder Group	Engagement method	Material stakeholder interest	Frequency of engagements	Effectiveness of engagement
HOST COMMUNITY				
Kgosi M. Monnakgotla, (Kgosi of the Bakubung Ba Ratheo)	One-on-one	SLP consultations	3	
Stakeholder Engagement Forum	Quarterly forum meetings	Engagement and Transparency on: <ul style="list-style-type: none"> • Project progress update • Procurement opportunities • Employment opportunities • SLP implementation feedback 	1	
Host Community Covid-19 Relief Project	Event	Handing over of food parcels and Covid-19 PPE	1	
Host Community Mandela Day Event with DMRE	Event	Handing over of food parcels and Covid-19 PPE	1	
LOCAL ORGANISED BUSINESS				
Ledig Business Community (Ledig Business Forum, Bakubung Business Chamber, Ledig Youth Business Forum)	One-on-One	Responding to demands for business opportunities	4	
Lesuma Taxi Association	One-on-One	SLP implementation	1	

Our performance (continued)



Social and relationship capital (continued)

Stakeholder Group	Engagement method	Material stakeholder interest	Frequency of engagements	Effectiveness of engagement
GOVERNMENT				
Department of Mineral Resources and Energy	One-on-One with Minister & Director General	Recruitment practices	2	
	DMRE National Office Chief Director	Collaboration and Partnerships with DMRE	2	
	DMRE Regional Office	Skills Audit and Employment Equity	2	
	DMRE Inspectorate	Safety Audits	13	
Social Housing Regulatory Authority	One-on-One	Employees Housing Development Project	2	
North West Premier	Events	Fundraising for Moses Kotane Foundation	1	
	One-on-one with Premier Advisor	SLP reporting and matters of mutual interest	1	
North West Department of Cooperative Governance, Human Settlements and Traditional Affairs	Project Steering Committee meetings	Employee Housing Development Project and management of housing grants	2	
North West Department of Education	Event	Donation of sanitary pads	1	
Bojanala Platinum District Municipality	One-on-One	Employment opportunities	None	
Moses Kotane Local Municipality	One-on-One & MKLM Events	Integrated Development Plan consultations	None	
		SLP 2019-2023 feedback	1	
		Bulk Water Infrastructure Project	3	
		Environmental projects	3	
Rustenburg Local Municipality	One-on-One	Meeting with Office of the Mayor and DOE Rustenburg Region to discuss Schools Covid support	2	

SOCIAL AND LABOUR PLAN (SLP)

Our vision is to excel in contributing towards sustainable prosperity within our host communities. Part of how we deliver on this vision is through the implementation of the SLP.

In responding and complying with regulations and guidelines of developing the SLP as set out by the DMRE, BPM was guided by various principles in selecting the Mine Community Development Projects for the years 2019 to 2023. A broad consultation with our stakeholders ensured that selected projects resonate with the views expressed by them and aligned to Regulation 42 of the MPRDA. In selecting the projects, BPM was guided by the following principles:

- Meaningful and responsive to the prevailing socio-economic conditions in the host communities;
- Addresses the challenges of poverty, unemployment and inequality;
- Budget allowance given the Mine is currently not generating a source of income in its development phase;
- Encourages the involvement and self-reliance of communities;
- Realistic, feasible and deliverable within the SLP period;
- Impactful and sustainability of the projects; and
- Alignment, even partially, to the Municipal Integrated Development Plans (IDP).

The Mine Community Development Projects identified for the SLP are categorised as follows:

- Infrastructure;
- Poverty eradication;
- Enterprise development/Income generating; and
- Community development.

In this, our second year of the SLP, we focused largely on the implementation, monitoring and evaluation of the approved projects as well as reporting back to various stakeholders.

A selected number of the programmes within our SLP 2019-2023, and which were delivered or were the process of being implemented during the period under review, include:

Bulk water infrastructure

Water scarcity and sustainable supply is a national challenge. Along with MKLM, the Company continues to deliver on its commitment to bring a long lasting solution in a form of construction of bulk water



Pumphouse

Zwartkoppies farm project (Supporting of Cooperatives)

The Company continued to support the Zwartkoppies farm project in line with its vision to enable self-sustainability. The objective of the project is to support a sustainable agricultural programme to mitigate the impact of poverty and unemployment. During 2020, the Company focused on supporting the cooperatives through financial grants directed at their operational budgets, and further donated livestock for the Arephedisaneng Cooperative.

The total grant spent on the farm cooperatives for the year was: R1 241 504,00



Onions and cabbage crops

infrastructure in Ledig. In the previous years, an interim solution was the delivery of water and a donation of water tankers.

The project was delivered in two phases: construction of a 3.5km bulk pipeline (Phase 1), delivered in 2019; and the construction of a pumpstation (Phase 2), completed in the year under review. The project was handed over to MKLM for operations and maintenance on 11 September 2020.

Total spend on the project for the reported period was R3 088 926.36



Pumps, motors and valves

Gabonewe Housing Estate Development

The Gabonewe Housing Estate Development gained momentum with the appointment of contractor, Johannes Ranala / Stefanutti JV as the preferred bidder commencing with the site establishment early in 2020. The construction of the first 144 housing units was however interrupted by the Covid-19 national lockdown, which came into effect on the 26th March 2020. The contractor resumed construction in June after the lifting of Level 5 lockdown, whereby earthworks as well as the internal reticulation were completed.

Total expenditure on the project for the period under review was: R28 212 390.25



Nourished cow and her calf

Our performance (continued)



Social and relationship capital (continued)

As at the end of December 2020, the contractor reached the second floor level of the structures. The project has to date seen 14 local subcontractors offered business opportunities and some 68 local people employed. The contractor's performance is satisfactory in terms of time and quality under the circumstances of the national pandemic and the associated lockdowns.

The overall progress as at the end of the period under review was 30%.

Preparation for Phase 2 has also commenced, comprising 168 housing units. The project was

advertised in November, calling on bidders with a minimum CIDB grading of 7GB PE, to submit bids. The tender documents were made available for collection from 23 November 2020, which opened the three week bidding process.

Twenty-one tenders were received after which a tender opening meeting was held, with tender documents publicly opened, and the bidding amounts announced. The tender evaluation and adjudication process will be completed in 2021.



Construction of internal roads



Casting of first floor rib and block slab



Other housing blocks – Second level completed



Installation of services (Reticulation)

A select number of the SLP projects were delayed as a result of national lockdown, however the planning stage of these projects has been concluded, ready for implementation during 2021. Those projects are:

- Public Transport Support Project – Construction of an office building for the local Taxi Association;
- Enterprise Development Project – Funding of local businesses through a joint collaboration between BPM and NEF; and
- Community Schools Infrastructure Projects – Construction of ablution facilities for various schools within the local mining community.

SOCIAL RESPONSIBILITY PROGRAMS

Covid-19 Relief Project

Initiated by BPM in consultation with the Department of Social Development (DSD), MKLM, Rustenburg Local Municipality (RLM) and Bakubung Ba Ratheo Tribal Authority (BBR) the Covid-19 Relief Project aimed to provide some relief to the needy community households within the mining community of BPM in the form of food parcels, inclusive of sanitary essentials and face masks.

The project was subjected to the BPM supply chain process, whereby various service providers within the recognised host community, such as entrepreneurs

and NPOs, were requested to submit Bids for Supply, Packaging and Distribution of 800 food parcels, split as follows:

- 200 households in Phatsima, Ward 1 of Rustenburg Local Municipality;
- 200 households in Ledig area, Ward 14 of Moses Kotane Local Municipality;
- 200 households in Ledig area, Ward 28 of Moses Kotane Local Municipality; and
- 200 households in Ledig area, Ward 30 of Moses Kotane Local Municipality

The tender was successfully awarded to a local service supplier and was rolled out during May 2020, and officiated by a number of dignitaries including the Honourable MEC Moiloa for Social Development, Acting Mayor for Moses Kotane LM, Cllr Thoboke, Kgosi Monnakgotla of Bakubung Ba Ratheo Tribal Authority, and the CEO for Bakubung Platinum Mine, Mr Zhimin Li.

BPM pledged R500 000.00 and further raised R912 500.00 in donor funding from various service providers under contract with the mine.

The total amount raised for the project was R1 412 500.00



Superstructure brickwork and installation of window and door frames



Road-bed layer works compacted and completed and side view of first floors.

Our performance (continued)

Social and relationship capital (continued)



Food parcel handout undertaken by the MEC, CEO, Kgosi Monnakgotla and Acting Mayor.



Needy households grateful for the food parcel assistance.

School Children Food Parcels

The Company, in collaboration with the Office of Kgosi Ya Bakubung Ba Ratheo and the Department of Education, embarked on a programme in November, providing 400 school children who are attending eight schools in Ledig and Mahobieskraal with food parcels.

The amount contributed by BPM for the project was R 228,722.99

The Office of Kgosi Ya Bakubung Ba Ratheo and the Department of Education distributed 400 food parcels to scholars.



Needy households grateful for the food parcel assistance.

NWU Connectivity Project – Donation of Laptops

The North-West University prides itself on graduating high quality individuals into the workplace. It considers well-rounded knowledge and skills imperative to aiding with raising of the quality of life in local, national and international communities. Within the South African higher education landscape, the University is established as a stable and well-managed institution and enjoys a valued reputation with employers across all sectors.



Handing over of laptops to the North-West University.

Our performance (continued)

Social and relationship capital (continued)



The outbreak of the coronavirus pandemic disrupted the higher education system in terms of teaching, learning and assessment activities. However, driven by its commitment towards social justice and an ethic of care, the University has finalised its plans to supply laptops to needy students. Acknowledging that the University resources will not be sufficient to cover all students in need, an appeal has been made to the business sector to contribute to this good course. BPM pledged to assist the University by donating 20 new laptops to the value of **R108 000**.

Complaint Management System

The Company is sporadically inundated with complaints and requests from the host community, and which are processed and considered under our development policy. A register is kept in order to monitor the complaints until they are resolved.

The histogram in Figure 32 depicts the recorded issues per category.

Figure 16: Complaints Management Chart

	Sponsorship requests	Protests	HR matters	Procurement matters	SLP and Stakeholder relations
Number of complaints	8	1	8	12	7
Attended complaints	6	1	8	8	6
% contribution	23%	3%	23%	34%	17%
% resolved	75%	100%	100%	67%	100%



Human capital



Ms Basetsana Ramaboa
Human Resources Executive

APPROACH TO HUMAN CAPITAL MANAGEMENT

The Company remains steadfastly committed to the promotion of human rights and freedom of association as a key foundation for fruitful interaction with its employees and partners, and further holds the vision of a safe and conducive environment that promotes individual and company growth. We embrace human capital through a multi-dimensional approach, where value is added to employees and shareholders and, as far as possible, must impact positively on the communities that are dependent on the Company's activities.

Our management approach and employee value proposition was updated and revised to compliment the objectives of the year under review. We remain a progressive mining company that:

- Continues to promote a high-performing, inclusive culture by fully engaging with our employees, and which has consistently proven to contribute towards productivity. This has been achieved through employee participation in forums and other processes, which feature prominently among the initiatives in the HR strategy.
- Aspires to recruit a highly-skilled workforce in order to match or surpass other preferred employers within the mining industry. Aligned to this is our ongoing efforts to train potential employees from our mining operation's local community despite Covid-19 challenges experienced during the year under review. This strategy motivates for a

multi-skilling programme that will enrich jobs and facilitate employee flexibility, and which we believe will further encourage our employees to advance their performance and go the extra mile.

- Aspires to match market-related pay and benefits, and to a lower wage gap than our competitors. Currently the gap between the highest and lowest paid is increasing in many sectors, which has become a source of social discontent and a key driver of industrial unrest.
- Fosters sound relationships between employees and their line managers in order to promote deeper employee engagement, having found that most employees leave their line managers, not their companies.
- Invests in communities and is a socially responsible employer. In support is our Social and Labour plan, which advances the employee value proposition.

OUR PEOPLE

The Company is focused on being employee-centric and is cognisant of national economic conditions that affect the quality of lives of its employees.

Our workforce complement has increased from 180 to 187 employees, which is inclusive of eight (8) Board members, 55% of which are permanent employees. The balance comprises of fixed-term contracts and limited duration contracts. We comply with the Employment Equity Act 55 of 1998 (EEA) and the basic tenets as prescribed by the Company, which demand that we drive transformation in general and ensure that we meet or surpass set targets.

Our performance (continued)

Human capital (continued)



Table 9: EE Scorecard aligned to the 2018 Mining Charter

Element description	Compliance target (%)					Measure		
						(Compliance Target by 2023) (%)	Performance (%)	
	Blacks	Indians	Coloureds	Whites	Foreign Nationals			
BOARD (Non-executive Directors)								
Total number of Directors	6							
Total representation	3	3	0	0	0	3	50%	50.00%
Female representation	1	1	0	0	0	0	20%	33.33%
EXECUTIVE MANAGEMENT (Board Executive Directors)								
Total number of employees	2							
Total representation	0	0	0	0	0	2	50%	0.00%
Female representation	0	0	0	0	0	0	20%	0.00%
SENIOR MANAGEMENT								
Total number of employees	11							
Total representation	7	7	0	0	2	2	60%	63.63%
Female representation	2	2	0	0	0	0	25%	28.57%
MIDDLE MANAGEMENT								
Total number of employees	39							
Total representation	27	26	0	1	6	6	70%	69.23%
Female representation	5	5	0	0	0	0	30%	18.52%
JUNIOR MANAGEMENT								
Total number of employees	68							
Total representation	49	45	1	2	20	0	70%	72.05%
Female representation	12	11	0	0	1	0	30%	24.49%
EMPLOYEES WITH DISABILITIES								
Total number of employees	187	0	0	0	0	0		
Total representation	1	1	0	0	0	0	1.50%	0.53%
Female representation	0	0	0	0	0	0	0%	0%
CORE AND CRITICAL SKILLS								
Total number of employees	76							
Total representation	46	43	1	2	23	7	60%	60.53%

* Core and Critical Skills is part of the total number of employees.

Table 10: Current employment equity status aligned to the EEA

Occupational Levels	Male				Female				Foreign nationals		Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	
Top management (Board)	2	0	0	0	1	0	0	0	5	0	8
Senior management	5	0	0	2	2	0	0	0	2	0	11
Professionally qualified and experienced specialists and mid-management	21	1	0	6	5	0	0	0	6	0	39
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	34	2	1	19	11	0	0	1	0	0	68
Semi-skilled and discretionary decision making	25	0	0	1	10	0	0	0	0	0	36
Unskilled and defined decision making	21	0	0	0	3	0	0	0	0	0	24
Employees with disabilities	1	0	0	0	0	0	0	0	0	0	1
Total	109	3	1	28	32	0	0	1	13	0	187

Employment equity statistics as at 31 December 2020

The Company delivers its mine development targets via a number of contracting companies. Similarly we encourage diversity and transformation within our major contractors.

Table 11: Employment equity status of our contractors

Contractor	Male				Female				Foreign Nationals		Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	
CC5C	213	2	–	13	33	1	–	–	10	–	272
Gears Technologies	45	–	1	7	16	–	–	–	–	–	69
Bidvest Protea Security	54	–	–	–	22	–	–	–	–	–	76
Jaira Construction and Projects	288	2	–	2	71	2	–	–	–	–	365
Dikapi	16	–	–	–	21	–	–	–	–	–	37
JNMC	112	–	–	2	13	–	–	–	10	1	138
CBMI	57	–	–	1	3	–	–	–	13	–	74
Xpertz	48	–	–	–	4	–	–	–	18	–	70
Contractors Total	833	4	1	25	183	3	–	–	51	1	1 101

Our performance (continued)



Human capital (continued)

Recruitment, retention, scarce skills and turnover

Due to imposed lockdown by the government during the year under review, the Company only hired 25 new employees, which includes replacement of previously occupied positions. The breakdown in ages is as per the table:

Table 12: Recruitment, retention, scarce skills and turnover

African females	between ages 0 – 35	5
	between 35 – 50	4
	aged 50 and above	0
African males	between ages 0 – 35	3
	between 35 – 50	11
	aged 50 and above	1
Coloured males	between age 35 – 50	0
White males	between ages 35 – 50	0
Asian males	between ages 35 – 50	1

The turnover rate is not alarming given our having less than one percent of terminations during the reporting period. Termination of employment is based on the definition of no-fault termination versus that of fault termination. No-fault termination is the termination of employment of a participant by the Company through incidences such as: death; certified injury, disability or ill-health; dismissals based on operational requirements, retirement, mutual agreement; and cessation of employment within the Company subsidiary companies. Fault termination involves a dismissal for misconduct, poor performance, or a

resignation from the participant. There were four no-fault terminations constituting two contract expired, one being a retirement, the other a result of incapacity. We also released 10 fault terminations comprising eight resignations and two dismissals arising from disciplinary hearings. Only one female needed maternity leave.

Women in Mining

The Bakubung Platinum Women in Mining Committee (BPM WiM) was established in 2017 to address the challenges that women in the mining industry face on a daily basis, with a strong focus on health and safety.

On 21 August 2020, the BPM WiM Committee members joined the Minerals Council South Africa for the launch of its first National Day of Women in Mining, which focused on the implementation of initiatives designed to achieve stretch targets for the representation and advancement of women in the South African mining industry.

The stretch targets set and agreed by the Minerals Council members ensure that we are enabled to at least double the number of women in mining by 2025, and ultimately work towards a 30% – 40% women representation across the industry and 50% in management over the next decade. BPM will enforce these targets through its existing functional and implemented structures such as the Transformation Committee, Employment Equity Committee, and other managerial and executive platforms of the business.



BPM-WiM Committee members with management (image taken prior to Covid-19)

During the year in review, the WiM Committee engaged management with three main objectives:

- to improve change house facilities in terms of hygiene conditions;
- to increase the number of underground portable toilets; and
- to review female Personal Protective Equipment's (PPE).

All the objectives were achieved and are being monitored on a quarterly basis.

With the advent of Covid-19, women-to-women discussions have been initiated, whereby different departments interact to formalise and ensure their activities are safe and compliant to the Covid-19 regulations. This epitomises the value of CARE, which is one of the Company values.

OUR EMPLOYEE RELATIONSHIP

The Company's endeavours to maintain and enhance positive relations with its employees has resulted in no legal strikes or lockouts during the reporting period.

Table 13: Union representation

	Employee numbers	NUM members	Solidarity members	Non-unionised	NUM %	Solidarity %
BPM	179	28	80	71	15,6	44,7
CC5C	272	148	–	124	54,4	–
GEARSTECH	69	24	–	45	34,8	–
JAIRA	237	135	–	102	57	–
JNMC	143	20	–	123	14	–
Totals	900	355	80	465	39,4	0,9

The Company prefers to facilitate meaningful engagement with the unions and employees. Four (4) meetings were convened between employees, unions and management, providing a platform for critical information sharing. Such meetings include discussions around project updates, significant operational changes, and any other information of interest to employees and the unions. Management also hosts monthly meetings with all unions, which in turn host meetings with their members as and when the need arises.

All notable and material issues are communicated to employees via email and noticeboards, and material operational changes and notification timelines are governed by the Company's policies and procedures, as well as, importantly, the Labour Relations Act 66 of 1995, (LRA), as contained in our collective agreement.

A contributing factor is the Company's respect for freedom of association and collective bargaining by its employees. This approach is entrenched to ensure meaningful relations with unions as a key stakeholder within the Company. At the end of the reporting period, the Company registered two legal and credited unions operating on site: the National Union of Mine Workers (NUM); and the Solidarity Union. The union representation, which is inclusive of major contractors on site, is summarised below.

Critical policies are regularly reviewed and updated as and when legislation and operational requirements change. Employees are informed of all critical policies and procedures related to discipline, grievances and harassment, and supervisors have been trained in disciplinary hearing procedures.

The Company continues to respect the basic conditions of employment as contained in the relevant legislation, and continues to advocate against child labour, forced labour, discrimination of any kind, violation of fundamental human rights in their totality, and practices zero tolerance for gender based violence, harassment, and any other form of violence. During the reporting period, the Company did not experience any of the aforementioned transgressions.



Our committed employees

Our performance (continued)



Human capital (continued)

EMPLOYEES WELLNESS

The Company has continuously prioritised employee wellness, based to the size of the Company and prevalence of warranted referrals. We currently rely on an out-sourced model, providing such services through external partners. These services include management of work stress, family problems, trauma debriefing, grief, substance abuse and other wellness-related wellness challenges. To highlight the importance of wellness management, we hosted a Wellness Day during December to coincide with World Aids Day.

OUR APPROACH TO REMUNERATION

In this reporting period, a total of R144-million was paid to employees inclusive of wages and salaries. The remuneration structure has a guaranteed total cost to Company and variable pay for performance which includes, an annual cash incentive bonus and deferred bonus plan, the latter having a long-term incentive component.

The remuneration for Non-executive Directors has not changed, compromising as it does, a monthly retainer fee and a meeting fee for meetings attended.

For the past few years, we have made considerable efforts to balance our remuneration approach, taking into account the financial constraints that the Company endures, yet still provide fair and equitable remuneration to our employees.

Policy design principles

The principles that reflect and drive our reward practice are:

- **Competitive pay levels:** We are committed to paying packages that are competitive in the mining and resources sector and, where appropriate, in the general market;
- **Pay for performance:** Remuneration practices will reward high performing employees for the contribution they make to the Company;
- **Internal equity and parity:** Remuneration differentiation between employees is based on criteria that is fair and objective;
- **Cost management:** We manage the total cost of employment for all employees; and
- **Holistic approach:** We chose to adopt an integrated approach to reward strategy, encompassing a balanced design and pay mix that includes the following components:
 - Guaranteed pay;
 - Variable pay;
 - Performance management;

- Annual incentive pay rewarding both business performance and individual and/or team performance;
 - Deferred based incentives for executives and key senior managers;
 - Non-financial rewards and recognition; and
 - Employee benefits;
- For Non-executive Directors, the structure of pay comprises:
 - Board attendance fees;
 - Board committee attendance fees; and
 - Monthly retainer.

Communication: We continue to ensure that all employees are aware of the organisation's reward policy and procedure by providing regular updates to employees as and when there are material changes.

Policy guidelines of pay mix

As the Company is still at its infancy and on the verge of completing its project construction phase, the pay mix is therefore aligned with the overall reward strategy considerations and Company objectives. We define pay mix as the balance targeted between the major components of remuneration, namely:

- Guaranteed pay – Total Cost to Company ("TCTC");
- Variable pay – Short-term incentives in the form of annual cash incentives; and long-term deferred cash bonus based incentive pay;
- Allowances – Cell phone, housing, night shift, standby, premium, and relocation;
- Travel reimbursement and transport benefits; and
- Independent Non-executive Directors fees.

The pay mix relationship is regularly reviewed in the context of our specific circumstances, but at this stage it allows for the undertaking of a quantitative analysis to:

- Establish its financial impact going forward; and
- Provide a template against which decisions can be made.

Policy guidelines on TCTC remuneration

Wesizwe has established, and continues to maintain, an integrated pay line with pay levels that ensure it is able to remain competitive, whilst managing costs. The following steps have been implemented to ensure competitive pay levels:

Establishing a target market

In order to compete effectively for skills in a competitive labour market, the Company remunerates our employees according to a Job Family or scarce skills.

This implies the following:

- A Job Family is a broad grouping of jobs or positions with a common skill that typically has a common labour market. Examples include finance, HR, information technology, engineering, geology etc.
- A scarce skill is a specific skill that is typically a scarce resource in the market, and is either a critical resource to the business or requires extensive training, such as specialists in their fields.

Managing the total employment cost

The total employment cost to the Company, of which guaranteed pay is the major component, forms a significant portion of total operating costs. It is for that reason that we have continued to manage guaranteed pay efficiently and effectively. This is undertaken by:

- Ensuring that the cost of the total remuneration package paid to employees is controlled by the Company and does not include open-ended liabilities where the cost of a benefit is determined either by levels of utilisation or by external pricing factors such as medical aid, retirement fund and all other allowances; and
- Ensuring that the remuneration package levels of employees are commensurate with their worth to the business, i.e. pay a market rate for a job. This ensures equity in salaries within Wesizwe and is also aligned to the market.

To achieve effective cost management, we have managed guaranteed pay through principles that guide our approach to TCTC.

Market data sources

We compare our structure to the general market, as per surveys, but also to mining and resources surveys. The general Job families of IT, finance, and HR however, are compared to the national market data.

Appropriate Job Family premia are applied where necessary. Additionally the pay levels of top executive positions in the Company may be benchmarked against national market executive remuneration surveys in future.

Specific premia are determined for hot skills, to enable the Company to pay a fair price for such skills, as determined by market pricing forces. These premia enable the Company to compete in the market by attracting and retaining skills that are critical to its success.

Percentile within market data

For all positions other than scarce skills, the Company positions itself relative to the midpoint of the pay scales for TCTC guaranteed pay, i.e. excluding incentives. For scarce skills, We aim to be relative to the upper quartile of pay scales, or otherwise apply a specific premium to the median.

Salary reviews

Our annual increase process is generally effective from January each year. The funds that the Board makes available for the increase process, are relative to those in the market and considers TCTC and other relevant economic indicators, potentially even the overall performance of the Company.

Positioning newly promoted individuals

As a guideline, the Company typically promotes, (internally to a new position), an individual at the pay scale minimum (lower quartile) unless a premium in accordance with the scarce skills matrix needs to be applied in order to attract the individual to the position.

Fees for Independent Non-executive Directors (NED)

Wesizwe's Non-executive Director's remuneration is a combination of:

- Fees for attending meetings; and
- Monthly retainer.

The remuneration of the Non-executive Chairperson and Directors, are guided by the percentile in which pay is relevant to:

The role played:

- Chairperson or committee member;
- Main board;
- Audit and Risk Committee and Technical Committee;
- Remuneration Committee; and
- Social and Ethics Committee.

The organisation type:

- Organisation size – assets, turnover/sales, number of employees, market capitalisation;
- Complexity of work/industry – single or multi-product or service;
- Impact on sector, industry, national economy or international impact – impact on one sector versus the impact on the national economy is always debatable, and most would argue that these indicators have a wide sphere of impact and influence. The decisive test is the extent to which it is 'a nice to have' or 'have to have', and the extent of alternatives;
- Competitors – the extent to which there are no competitors e.g. monopolies or cut-throat global competition e.g. the garment industry; and
- Strategic level – this refers to the levels in stratified systems theory.

When setting NED pay, we consider the role and the size of the organisation relative to the market. In line with the results of this assessment, the Company has chosen to pay all Directors at a lower percentile. This decision was taken in the context of sound governance principles and affordability.

Our performance (continued)



Human capital (continued)

Performance principles

Wesizwe's performance principles comprise the following:

- Ensuring that pay packages are competitive in the mining and resources sector and, where appropriate, in the general market;
- Introducing competitive pay packages that provide an enabling environment to attract and retain talent in the organisation;
- Implementing remuneration practices that reward high performing employees for the contribution they make to the organisation;
- Providing assurance that remuneration differentiation between employees is based on criteria that is fair and objective;
- Ensuring that Wesizwe continuously manages the total cost of all employees; and
- Taking an integrated approach to reward and remuneration encompassing a balanced design and pay mix that includes all of the following:
 - Guaranteed Pay;
 - Incentives pay, rewarding both business performance and individual/team performance; and
 - Long-term incentives for key executives and senior managers as per the policy guidelines.

Consistent with best practices, the Company introduced incentives that are given for both long- and short-term goals.

Bonus principles and framework

Bonuses relate to performance against yearly objectives that are consistent with long-term value for shareholders. Individual and corporate performance targets, both financial and sustainability-related, are tailored to the needs of the business and reviewed regularly to ensure they remain appropriate. Performance reviews are conducted twice a year, that is, interim or half-yearly review effective on 01 July and annually on 01 January.

Background

The appropriate overriding conditions for the award of bonuses, such as safety goals/project performance or minimum levels of financial performance, are identified by all line managers and employees when developing performance goals at the beginning of each year. Targets for thresholds expected and stretch targets of performance are robustly set and monitored, and main performance parameters are thereafter disclosed. As a start, the Company has introduced a weighted and balanced bonus scheme. The Board is ultimately responsible for the administration of the Deferred Bonus Plan, but may delegate this function to the HR department and/or the CEO.

Variable pay

The individual performance of Executive and senior level employees and management is assessed in terms of a balanced scorecard of Key Performance Areas (KPAs) which are derived from existing job descriptions and the corporate scorecard. The KPAs include financial and non-financial measures.

The performance framework provides for scores that total a maximum for each KPA, with the aggregate maximum totalling 100 percent. The overall (aggregate) score is compared to a five point rating scale (Performance against KPA's) and assessed as follows:

5. **111% – 120%** – Exceptional (unique and exceptional performance - walking on water);
4. **101% – 110%** – Above standard (consistently meets, and frequently exceeds, standards);
3. **76% – 100%** – Standard (consistently meets standards);
2. **50% – 75%** – Below standard (improvements are needed to meet on target performance); and
1. **49% and below** – performance which is generally unacceptable.



Covid-19 compliant operational meeting in progress

The framework and rating scale lends itself to performance assessments of individuals against the "stretch targets". Stretched targets are generally defined as those for which the achievement is only attainable if the individual/team/business addresses more than merely the requirements of the job, instead focusing and committing to added value. This dictates the annual bonuses and are used in annual incentive schemes where the paradigm is to provide for maximum, though relatively balanced, bonuses.

The individual rankings are determined using the balanced scorecard, and the Company ranking is then applied in proportions by level, to arrive at an individual's bonus percentage.

Calculated bonus percentages are applied to the employees salaries and paid annually to all employees.

Deferred bonus plan

Under the current Deferred Bonus Plan, Executives of the Company are the only qualifying employees. The deferred bonus was thus implemented through the following guidelines:

- A deferred bonus linked in value to, and matching according to prescribed ratios the value of the actual cash bonus earned and paid out to an individual as the result of the prior year performance.
- The prescribed ratios was driven by a balanced rewards strategy pay mix which favoured short-term and long-term incentive reward similarly.
- The value of the deferred bonus was linked to the Company share price at the time of the award, and a nominal number of share units were calculated at this time for the participant.
- On vesting, the value of the cash bonus accruing to an individual was calculated based on the nominal number of shares multiplied by the value of Wesizwe shares at the vesting time.

- Vesting occurred in equal thirds by number of shares units on the 3rd, 4th and 5th anniversaries of the award.
- The vesting periods are time-based and do not have any other associated conditions.

Termination of employment

Termination of employment is based on the definition of no fault termination versus that of fault termination. No fault termination is the termination of employment of a participant by the Company by reason of:

- Death;
- Injury, disability or ill health, in each case as certified by a qualified medical practitioner nominated by the Company;
- Dismissal based on operational requirements as contemplated in the LRA;
- Retirement on or after retirement date;
- The employer company ceasing to be a member of Wesizwe;
- Mutual agreement; or
- The undertaking of employment being transferred to a transferee that is not a member of Wesizwe.

Fault termination will be a dismissal for misconduct, poor performance or a resignation by the participant.

The following provisions will apply under circumstances of termination:

- If employment is terminated for no fault reasons, then accelerated vesting of the deferred (share based) bonus will occur and an appropriate cash bonus will be payable; and
- If employment terminated for fault reasons, all rights to any deferred bonus accrual will be forfeited.



BPM interns



Mr Mduduzi Mtshali – Human Resources Manager

Our performance (continued)



Human capital (continued)

Emoluments and related payments for Directors and Executive Management (as at the end of December 2020):

Table 14: Remuneration for Executive Directors

Name	Number of months	2020				2019			
		Salary R'000	Bonuses R'000	DBP Vested R'000	Total	Salary R'000	Bonuses R'000	DBP R'000	Total
Zhimin Li	12	3 586	1 067	–	4 653	3 744	1 032	–	4 766
Feng Tao*	3	850	–	–	850	3 400	–	–	3 400
Jianguo Henry Liu*	9	2 550	–	–	2 550	–	–	–	–
Total Executive Directors		6 986	1 067	–	8 053	7 144	1 032	–	8 176

* Feng Tao and Jianguo Liu are foreign secondees. A Financial Director fee is charged for their services to Wesizwe, as per the Service Level Agreement between Wesizwe and CAD.

Table 15: Remuneration for Non-executive Directors

Name	2020			2019		
	Directors fees R'000	Attendance R'000	Total R'000	Directors fees R'000	Attendance R'000	Total R'000
DNM Mokhobo	337	1 127	1 464	337	980	1 317
LV Ngculu	141	857	998	141	708	849
T Mabuza	141	791	932	141	640	781
Total	619	2 775	3 394	619	2 328	2 947

Table 16: Remuneration for Executive Management

Name	Number of months	2020				2019			
		Salary R'000	Bonuses R'000	DBP R'000	Total	Salary R'000	Bonuses R'000	DBP R'000	Total
B Ramaboa	12	2 331	511	312	3 154	2 307	525	243	3 075
V Mhlongo	12	2 208	520	–	2 728	2 186	516	–	2 702
J Mothomogolo	12	3 073	865	524	4 462	3 042	802	486	4 330
H Morule	12	2 494	589	357	3 440	2 469	584	328	3 381
Total Executive Directors		10 106	2 485	1 193	13 784	10 004	2 427	1 057	13 488

All remuneration paid to Directors and prescribed officers represents short-term benefits. DBP represents cash-settled vested shares paid.

Table 17: LTIP liability

Group and Company	2020 R'000	2019 R'000
Opening balance	6 037	3 184
Cash-settled share-based liability raised	(94)	2 853
Closing balance	5 943	6 037

Our approach to transformation, cultural integration and diversity

Our employment equity performance demonstrates our on-going commitment towards achieving a diverse and competent workforce. We have instilled zero-tolerance for any form of discrimination based on cultural differences and the remuneration philosophy of the Company does not consider gender. Given the importance of this aspect, the Social and Ethics Committee of the Board carries the oversight responsibility.

Recruitment and selection, and human resources development is in compliance with all the relevant legislation and policies and we continue to strive to either meet set targets or surpass them.

TRAINING AND EDUCATION

Community Portable Skills

For the year under review, no portable skills training was offered due to Covid-19 lockdown challenges. However, a meeting was held with the host community regarding portable skills training. The host community requested to be trained on mining skills programmes since portable skills training does not make them employable in the mining sector. We applied for Section 102 from the DMRE to replace the portable skills training with mining-related skills training.

Table 18: Company Bursars

Name	Surname	Program Type	Year of Study
Sithembelenkosini	Mhlongo	B.Sc. in Mining Engineering	3rd Year
Nina	Maseko	B.Sc. in Mining Engineering	3rd Year

Internship

For the period under review, and as part of our SLP commitments, we have employed four interns.

Table 19: Internships

Name	Surname	Program Type	Duration
Cindy	Mokale	Human Resources	12 Months
Kananelo	Lithelbe	Mechanical Engineering	24 Months
Boitumelo	Serongoane	Electrical Engineering (Heavy Current)	24 Months
Ofentse	Taffa	Electrical Engineering (Process Instrumentation)	24 Months

Learnerships

For the period under review, and as part of our SLP commitments, eight engineering learnerships were offered. The estimated cost of this programme is R3 894 000.

Table 20: Learnerships

Name	Surname	Program Type	Duration
Zandile	Radebe	Diesel Mechanic	36 Months
Jeffrey	Nzima	Diesel Mechanic	36 Months
Tshepo	Sidile	Electrical	36 Months
Mogalifa	Sojane	Auto Electrical	36 Months
Tebogo	Mazibuko	Rigging	36 Months
Queen	Dladla	Fitting	36 Months
Karabo	Tlapu	Fitting	36 Months
Sheila	Mavimbela	Boilermaking	36 Months

Employee training

Training and education is considered indispensable in terms of the Company's personnel policy. However, due to Covid-19 restrictions during the reporting year, training of personnel was limited to core and critical skills. However, one employee was assisted through the employee study assistance programme. Average hours of training that the organisation's employees have undertaken will be implemented and reported in future.

PROGRAMMES FOR UPGRADING EMPLOYEE SKILLS

Management approach

During the year under review, the Company began implementing the 2019 – 2023 Social and Labour Plan HRD programmes. Since the plan was completed in the last quarter of the year due to Covid-19 lockdown restrictions, the Company was only able to recruit the following:

Bursaries

For the period under reporting as part of our SLP commitments, two bursaries were offered for Mining Engineering studies.

Our performance (continued)

Human capital (continued)



FUTURE PLANNING OUTLOOK

During the period under review, the Company commenced with the development of a five-year career progression plan consistent with the demographics of the country; a five-year plan indicating progressive implementation of the provision of the employment equity targets; and identified the development of a talent pool.

In progressing the above, the Company adopted the following methodology, breaking the talent management process into three phases.

Phase 1: Designed a talent identification and development framework for Bakubung Minerals;

Phase 2: Undertook a skills audit for employees in critical and core roles in order to devise a five-year training plan for high potential candidates; and

Phase 3: The roll out of the skills audit to the organisation and compilation of a comprehensive five-year training plan to close identified gaps and meet employment equity targets as per the Mining Charter.

The following has been completed during the year under review:

- A list of roles that are considered to be critical roles for BPM (these are over and above those provided by MQA, as they have been customised to BPM's environment);
- A competency matrix to inform: recruit, train, develop and succession plan;
- Career Paths for all functional streams, by documenting minimum qualifications required for various levels;
- A skills audit exercise to identify a talent pool;
- A consolidated skills matrix, which is a high-level representation of skills that are in high supply and those that are lacking in the business;
- A five-year training plan based on the career progression plan for all employees; and
- A succession planning framework and template, which will be used in tandem with career paths.

A final plan will be submitted to the DMRE during 2021, as part of the Company's compliance requirements.

PROGRAMMES FOR UPGRADING EMPLOYEE SKILLS

The following training was offered to all employment categories including contractors:

Table 21: Employee training

Type of training offered	Total number of employees trained
Induction	1 157
Working at Heights	144
Trackless Mobile Machines SF & UG	441
Blasting Assistant	5
Procedural	220
First Aid	377
Legal Liability	273
Strata Control and TARP	468
Safety Representative	52
Supervisor	10
Oxy-Acetylene Gas Cutting	40
Conveyor Belt Operation	34
Gas Detecting Instruments	167
Competent B – Skills programme from MQA	442
Competent A – Skills programme from MQA	378
Rock drill operator	5
Psychomotor assessments	110
Medium Voltage	14
Introduction to PLC	2
SAP	9
Total number of interventions	4 348

During the year under review 100% of employees received performance and career development reviews.

CORE BUSINESS SKILLS TRAINING

Employee training included health and safety, leadership, process, mining and engineering, systems and software technical services.

Total Cost of training was R3 717 041.87 as at the end of December 2020



Intellectual capital – Corporate Governance

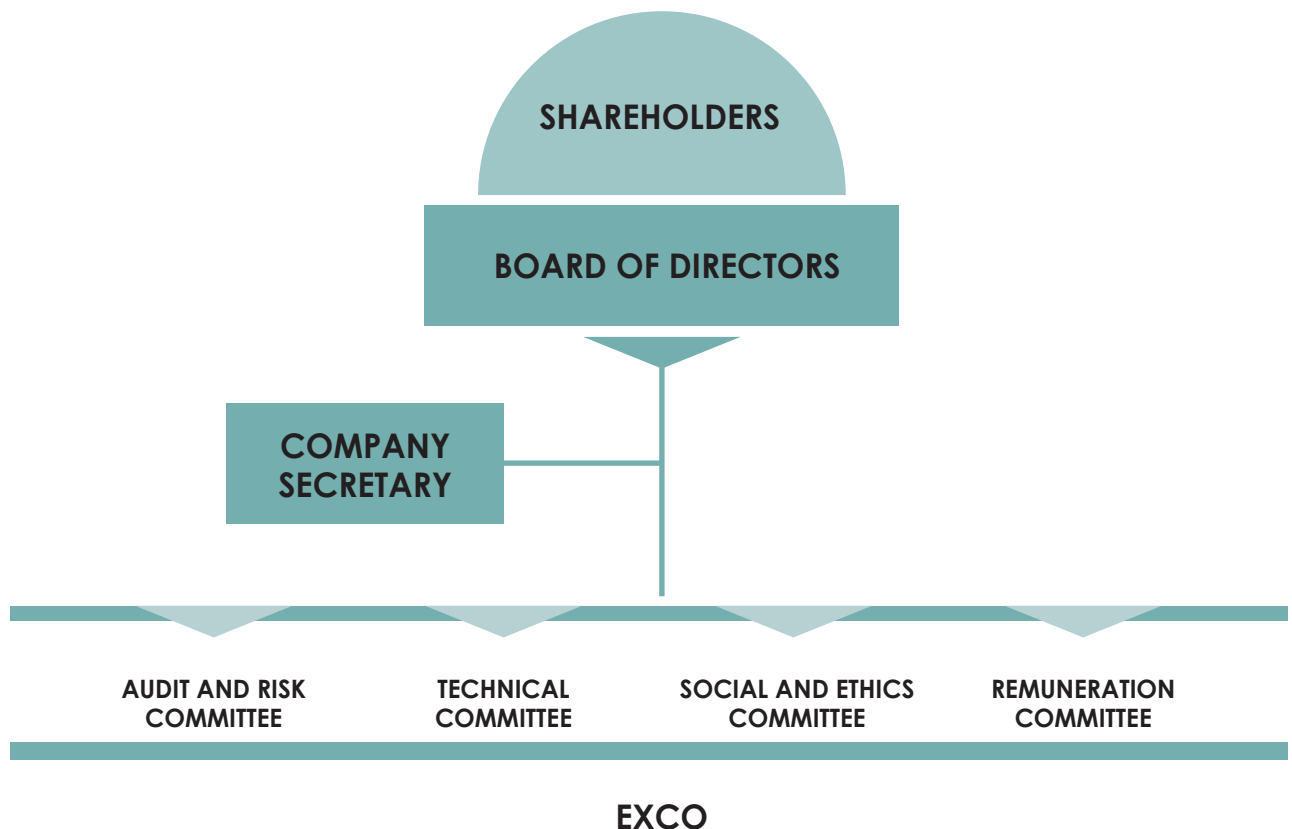
Ms Vasta Mhlongo
Company Secretary

Sound governance is central to our approach to enhance stakeholders' value in the short-, medium- and long-term. The Board and management remain committed to policies and practices that meet high levels of compliance and transparency in disclosure.

The Board assumes ultimate responsibility and accountability for the protection and responsible use

of the Company's stock of financial, human, social, intellectual, and natural capital. This includes ensuring that the Company maintains an effective, efficient, and transparent risk management process, framing of the Company's risk appetite and tolerance, and monitoring of the Company's risk and opportunity performances.

OUR GOVERNANCE STRUCTURE



Our performance (continued)



Intellectual capital – Corporate Governance (continued)

STATEMENT OF COMPLIANCE

The Board has shown commitment to the highest standards of corporate practice and conduct, which are, to a large extent, enunciated in King IV. The Company has endeavoured to implement the best processes and principles of good corporate governance to assist its Directors and management in discharging their duties and responsibilities with integrity, while simultaneously striving towards excellent ethical leadership for the benefit of all stakeholders.

The Company is subject to the Listings Requirements of the JSE Limited as amended, and has taken the necessary steps to ensure legislative and regulatory compliance. The Company has defined and approved a legislative and compliance universe.

The Board:

- Supports Exco decisions to drive governance in line with leading practices;
- Reviews corporate governance systems and frameworks to align with increasingly stringent regulatory standards;
- Strengthened the Group's robust and transparent governance and compliance programme by appointing the Institute of Directors South Africa (IODSA).

KING IV CODE APPLICATION

In order to achieve the King IV outcomes, the Company aligned its policies and principles with King IV and has, to a large extent, endeavoured to apply the recommended King IV Code practices and principles, those being:

- Ethical culture;
- Effective control;
- Good performance; and
- Legitimacy.

The Company commissioned the IoDSA to conduct a King IV governance assessment. The Board and Executive management will deliberate the outcome of the recommendations of the King IV governance assessment and develop an implementation plan.

Monitoring of the aforesaid implementation plan will be one of the focus areas of the Board for 2021.

The King IV application register is available on the Wesizwe website, which can be accessed on <https://www.wesizwe.co.za/about-us-corporate-governance.php>.

BOARD OF DIRECTORS

The Board continues to be the custodian of the Group's governance and acts in the best interests of the Company, shareholders and its stakeholders. The Board is responsible for promoting the long-term success of the Company, and for setting the Company's vision, strategy and values. This is achieved through a unitary structure that allows

for the exercising of full and effective control over the Group within a clearly defined governance framework of policies and controls.

The Board considered the following key areas during the year under review:

Strategy

During the reporting period, the Board monitored the implementation of the revised mine plan (Survival Plan) to build a 1 mtpa mine capacity with a two-module MF2 processing plant. The 1 mtpa capacity mine will be operated for a period of five years from 2021 until 2026. Thereafter it will be scaled-up, back to the base case 3 mtpa operation.

Operational performance

The Board:

- Reviewed the Company's operational performance relative to budget and forecasts;
- Considered the quarterly production reports and reviewed the Company's safety performance.
- Approved the Board Diversity Policy;
- Approved the 2020 Exco performance scorecard; and
- Received quarterly reports from the CEO on performance against operational targets.

Financial performance

- The Board considered the financial performance of the business, including going concern and viability, and reviewed the half year and full year results inclusive of approving the 2019 Integrated Report with its sustainability elements.
- The Board considered the Company's shortfall funding requirements, authorised management to source funding from Chinese financial institutions and to do all necessary to give effect to the subscription agreement concluded with China-Africa Investment Limited (CAJIL) in so far as it relates to funding the mine project.

Stakeholder engagement

The Board considered and approved the efforts and investments made by management to continue nurturing and solidifying the Company's ongoing relationships with various stakeholders. In 2017, the Company scaled-down its investor relations activities to curtail costs. These will be resuscitated during 2021.

Governance

For the year under review, the Board:

- Reviewed the effectiveness of the systems of the internal control environment and risk management;
- Received regular updates from the Chairs of the Audit and Risk Committee, Remuneration Committee, Social and Ethics Committee and Technical Committee on matters delegated to these committees;

- Discussed the outcome of the Board and Committees' effectiveness reviews;
- Attended a workshop by IoDSA on governance;
- Discussed changes to the Board Charter and reviewed the Committees' terms of reference; and
- Considered and approved strategic policies of the Company.
- Engaged IoDSA to conduct a governance assessment of the Company.

In 2021, the Board will focus on monitoring the development of the group's governance framework and implementation thereof, including monitoring of the implementation of recommended actions to address governance gaps identified by IoDSA governance assessment exercise.

Directors' rotation and re-election

In terms of the Company's Memorandum of Incorporation (MOI), one third of the Directors are expected to retire from the Board at the Company's AGM. The Board considered and recommended shareholder approval of the reappointment of Mr Pengfei Li and Ms Dawn Mokhobo as Non-executive and independent Non-executive Directors respectively.

BOARD DIVERSITY POLICY

A diverse Board recognises and includes a balance of knowledge, range of skills, and experience, age, culture, race, gender and other distinctive merits between Directors. The Board approved the Board Diversity Policy, which replaced the Gender and Race Policy. The Board Diversity Policy outlines targets in terms of inter alia race, age, gender representation, culture, field of knowledge, skills and experience required of directors. The latter three requirements can be viewed on Directors' CVs reflected on page 32 to 33 of this report.

In terms of the Board Diversity Policy, there must be at least one female director on the Board. This target has been met.

In 2021 the Board will focus on setting targets for the rest of the diversity requirements according to the Board Diversity Policy.

BALANCE AND DIRECTORS' INDEPENDENCE

There is a clear division of responsibilities at Board level to ensure a balance of power and authority, such that no one individual has unfettered powers of decision making. The Board is satisfied that its current composition ensures such a balance of power and authority.

The Board considers Non-executive Directors, Ms Dawn Mokhobo and Mr Vumile Ngculu, to be independent, notwithstanding that they have served on the Board for more than nine years and Mr Ngculu being an indirect shareholder. The Board determined that Mr Ngculu's indirect personal financial interest in

the Company shareholding was insignificant enough to affect his independence on the Board.

A qualitative and quantitative assessment of independence of Non-executive Directors as previously reported, was not conducted due to Covid-19 disruptions to the normal practice of work. The assessment will be conducted in 2021 and shareholders and stakeholders will be informed of the outcome in the next reporting cycle.

SUCCESSION PLANNING

The Board has appointed a Deputy Chair of the Board and introduced regular REMCO reviews, and recommends the appointment of both Board and Committee members to ensure succession.

GOVERNANCE OF ETHICS

During this reporting period, the Board provided effective ethical leadership characterised by the values of responsibility, accountability, fairness and transparency. The fundamental objective being to conduct business ethically while building a sustainable company that recognises the short- and long-term impacts of its activities on the economy, society and the environment.

The approved Code of Ethics and Business Conduct better underpins and entrenches the Company's commitment to the highest level of ethical standards. This key business principle requires a top-down approach, with examples set by the Board and individual Directors, which is considered as crucial to the buy-in of all stakeholders involved in the affairs of the Company.

The Board expects the Directors, management, employees, outsourced functional support teams/ companies, and suppliers to act in accordance with the Company's Code of Ethics and Business Conduct.

The Company Directors have highlighted that the new Company policy entrenches complete intolerance of fraud and dishonest and criminal behaviour, and any employee found guilty of acting contrary to the Code, will be subjected to disciplinary processes.

The Company has not engaged in, or accepted, illegal acts in the conduct of its business. The policy allows for the active pursuit and prosecution of perpetrators of fraudulent or other illegal activities. However, no fraudulent behaviour or corrupt practices were reported during the period under review.

The Company maintains an ethics hotline, an independent and confidential system that allows stakeholders to report unethical, dishonest, or improper behaviour, including non-compliance with Company policies, as well as corruption and fraud. All reported incidents are investigated by management and when required, action is taken. The hotline reporting service is outsourced to an independent service provider. In line with legislation,

Our performance (continued)



Intellectual capital – Corporate Governance (continued)

the Company's well-communicated commitment not to victimise whistle-blowers, ensures transparency and promotes ethical conduct. The identities of whistle-blowers are protected by the independent service provider. Nothing was reported via whistle-blowing during the reporting period.

RELATIONSHIP WITH STAKEHOLDERS

The Board encourages shareholders and stakeholders to attend the AGM, notice of which is published in this IR. Shareholders have the opportunity to pose questions to the Board as a collective. Further details regarding the Company's approach to stakeholder engagement, the issues raised by stakeholders, and the Company's responses, are provided on page 86 of this report.

CONFLICT OF INTEREST

The Board recognises the importance of acting in the best interests of the Company and protecting the legitimate interests and expectations of its stakeholders. The Board applies the provisions of the Companies Act in disclosing or avoiding conflicts of interest during each meeting convened. Directors are required to declare their interests in terms of, and in accordance with, the requirements of the Act. No conflicts of interest were declared during the reporting period.

A conflict of interest policy will be developed in 2021 to strengthen the Code of Ethics and Business Conduct.

COMPLIANCE MANAGEMENT

The Company believes that statutory and regulatory compliance is an ethical imperative and is thus committed to complying with all applicable laws, rules, codes, and standards. The Board is responsible to ensure such compliance but also considers adherence to non-binding rules, codes and standards. The Board therefore ensures through appropriate checks and balances, that systems are established to help the Company discharge its legal responsibilities and oversee legal compliance through the Audit and Risk Committee and Social and Ethics Committee.

Compliance risk has been entrenched as an integral part of the Company's risk management process and the Board delegates to management, the task of implementing an effective compliance framework and related processes. The Board regularly receives reports from the Social and Ethics Committee and Audit and Risk Committee related to compliance with laws, rules, codes, and standards as a part of its meetings.

Regulatory and statutory compliance risks that may result from the Company's business activities are continuously assessed, managed, and reported to internal and external stakeholders. The Company seeks to maintain honest, transparent and trustworthy relationships with regulatory and statutory bodies.

SHARE DEALING AND INSIDER TRADING

The policy provides guidance to the Board and staff members on trading and restrictions on dealing in the Company's listed shares during closed and prohibited periods, as per the provisions of the JSE Listings Requirements.

The Board is satisfied that the company has complied with the Company's Act and the company's Mol including other applicable legislation

The Directors, affected employees as defined in the policy, and the Company Secretary (including their associates), may not trade during a prohibited period. All employees of the Group are also prohibited from trading in the listed Company's shares during closed periods unless clearance to trade has been obtained from the Company Secretary under the direction of the Chair of the Board. This Policy has been widely distributed within the Company to ensure that Directors and employees are familiar with its content.

The Directors and prescribed officers of the Company did not deal in any securities of the Company during this reporting period.

DELEGATION OF AUTHORITY

The Board has delegated authority for the management of the Group to the Chief Executive Officer (CEO) by way of a delegation of authority Framework, which comes with certain restrictions, conditions, and limits that the Board believes appropriate for the effective exercise of such delegated powers. In turn, the CEO has sub-delegated authority to the Executive Committee (Exco) members.

The Board has a formal schedule of matters reserved for its consideration and decision that includes the approval of:

- Strategy;
- Business plans and budgets;
- Financial statements;
- Significant acquisition and disposal of assets;
- Executive Directors' appointment and remuneration; and
- The IR.

In 2021, the Board will focus on reviewing the DOA to ensure that it covers all aspects of managing the business.

BOARD AND SUB-COMMITTEE'S ANNUAL EVALUATION 2020

The Board is subject to an independent external performance evaluation every two years. The last external Board evaluation was conducted in 2019 by CGF Research Institute. The next external evaluation is due to be conducted in 2022. In 2020, an internal evaluation of the Board, its sub-Committees and the Company Secretary was conducted. The evaluation (Board and Committees) focused on composition and quality, understanding of business and risk, overseeing

and monitoring of company strategy, process and procedure, communication, oversight of internal controls, risk management, governance, financial reporting and overall Board performance including the Company Secretary's evaluation. The outcome of the evaluation indicated that the Board and its sub-Committees, the Board Chair, and the Company Secretary are effective in discharging their duties.

We indicated in the last reporting cycle that the outcome of CGF Research Institute's Board evaluation had recommended, among other items, that the Board should consider increasing the number of independent Non-executive Directors. The Board resolved not to implement this recommendation in 2020.

PERFORMANCE EVALUATION AND SUCCESSION PLANNING FOR THE CEO

The Board will, in 2021, enhance the current performance evaluation process of the CEO and ensure executive succession planning is appropriate for transition processes.

COMPOSITION OF THE BOARD

The composition of the Board is based on its policy on diversity, taking into account age, gender, race, skills and experience. The Chair of the Board is an independent Non-executive Director, and is free from conflicts of interest. In addition, the Company has appointed a Deputy Chair to the Board who is a Non-executive Director. The strategic operational role of the CEO is separate from that of the Chair of the Board. The Board of Directors comprises an appropriate mix of individuals to ensure an adequate spread and level of knowledge, skills, expertise, diversity and independence, with a division of responsibilities and accountability, as outlined in the Board Charter.

The Board is comprised of eight Directors, of which one is female. There are three independent Non-executive Directors, three Non-executive Directors and two Executive Directors (CEO and FD). Whilst the composition of the Board does not fully satisfy the requirements of King Code, the Board resolved to maintain the status quo for strategic reasons.

The compulsory retirement age of Non-executive Directors is 70 years, at which time the Director shall vacate office at the end of the financial year in which he/she turns 70, unless the Board in its discretion decides otherwise.

Ms Dawn Mokhobo turned 70-years-old in 2019 and the Board resolved to retain her services.

BOARD APPOINTMENT PROCESS

The Board has approved a policy to provide principles, criteria, and procedures for appointment to the Board of Directors. The policy promotes the appointment of candidates who can demonstrate business acumen and financial literacy, and who have the requisite experience to serve on the Board. Candidates for appointment should generally have

the capacity and good standing, and should not have been previously disqualified as Directors.

DIRECTOR CHANGES

Mr Jianguo Liu, the Financial Director and Executive Director, joined the Company on 01 April 2020.

As is the norm, the Company Secretary arranges an appropriate induction programme for new Directors on the Board. This includes an explanation of their fiduciary duties and responsibilities, and visits to operations where discussions with management facilitate an understanding of the Company's affairs and operations.

DIRECTOR'S DEVELOPMENT AND TRAINING

Directors are appraised of relevant new legislation and changing risks that may affect the Company, including economic, environmental and social aspects. The Board supports the development of Directors and when applicable, training is provided depending on individual Director requirements, and the quality and relevance of training available. The majority of Directors have been trained on King IV Code of Governance offered by the IoDSA and during the period under review, they attended a governance workshop facilitated by the IoDSA.

The Company Secretary will, in 2021, develop a Continuing Professional Development Programme (CPD) for Board approval. We will report on progress of the CPD in the next reporting cycle.

THE CHAIR AND CEO

No individual has unfettered powers of decision-making. The responsibility for running the Board and executive responsibility for conducting the business are differentiated. The roles of the Chair, Ms Dawn Nonceba Merle Mokhobo and CEO, Mr Zhimin Li, are thus separate and clearly defined. The Chair is responsible for leading the Board, ensuring its effectiveness and setting its agenda. The CEO leads the executive team in running the business and coordinates proposals for consideration by the Board.

BOARD MEETINGS

All Board meetings were convened by formal notice, incorporating a detailed agenda and relevant written proposals and reports. Information was distributed in good time before the date of the Board meetings, to enable adequate preparation by the Board to allow for the Directors to discharge their fiduciary duties. There were eleven (11) meetings held during the year, of which four (4) were scheduled.

All meetings, except two, were held via video conference due to the Covid-19 pandemic. The Board and all Board Committees met as scheduled and, where necessary, special meetings were held to deal with specific matters related to the pandemic, and regulatory matters that were raised by the DMRE.

Our performance (continued)



Intellectual capital – Corporate Governance (continued)

Table 22: Board meeting attendance

Director	Number of meetings
Dawn Mokhobo	11/11
Huigao Guo	0/11
James Ngculu	11/11
Victor Mabuza	11/11
Pengfei Li	11/11
Zhimin Li	11/11
Sun Pingan	3/11
Jiangou Henry Liu	9/11

BOARD COMMITTEES

The Board established two statutory committees, the Audit and Risk Committee and the Social and Ethics Committee, in addition to the Remuneration Committee as recommended by King IV, as well as the Technical Committee. Each Committee operates in terms of an approved terms of reference. The Board Charter, Terms of Reference of committees and annual workplans of the Board and committees are reviewed annually.

The Chairs of the Committees provide feedback at all Board meetings, and minutes of the Committees meetings are made available to all Directors. The Chair of the Audit and Risk Committee and the Social and Ethics Committee attend the AGM to answer any questions on activities of the Committees.

The Board has noted with concern the non-attendance of committee and Board meetings by some director/s, the Chair of the Board will address this matter in 2021 and will provide feedback at the next reporting cycle.

Table 23: Committee's meeting attendance

Non-executive Directors	Audit & Risk	Social & Ethics	Remuneration	Technical
Dawn Mokhobo	5/5	3/3	4/4	–
Huigao Guo	–	–	0/4	0/4
James Ngculu	5/5	3/3	4/4	5/5
Victor Mabuza	5/5	–	5/5	–
Pengfei Li	–	–	4/4	–
Sun Pingan	–	–	–	–
Executive Directors				
Zhimin Li	5/5	3/3	4/4	5/5
Jiangou Henry Liu	4/5	3/3	4/4	5/5
Executive Committee member				
Hamlet Morule	–	3/3	–	–



Social and Ethics Committee Report

In line with the requirements of the Companies Act, the Company established a Social and Ethics Committee to act as the Company's social conscience and take into account public and stakeholder interests in the Company's operations, particularly as they relate to social, economic and environmental impacts.

The Committee met three (3) times during the period under review, the attendance of such meetings is reflected in Table 16 above (committees' meetings attendance).

A report from the Chair of the Social and Ethics Committee, detailing the Committee's activities during the year, follows.

Report of the Social and Ethics Committee Chair

The Committee is pleased to present its report for the financial year ended 31 December 2020.

The Committee conducted its work in accordance with the written terms of reference approved by the Board, as well as a detailed annual work plan that includes both its statutory duties and those assigned by the Board.

The Social and Ethics Committee is a critical governance panel that plays a crucial role in ensuring the Company complies with, and follows applicable and proper governance. It draws its mandate from three key aspects:

- Monitoring the Company's activities with due regard given to applicable legislative and regulatory requirements;
- Drawing matters within its mandate to the attention of the Board; and
- Reporting to the shareholders during AGMs.

The Committee is responsible for maintaining the overall direction and control of social responsibility performance, mainly within four thematic areas:

- Social and economic development of all stakeholders;
- Good corporate citizenship;
- Safety, Health and Environment (SHE); and
- Labour and employment.

COMPOSITION AND REPORTING

The Committee comprises two independent Non-executive Directors and a member of the Executive Committee. The CEO and FD are standing invitees to Committee meetings, while the mine general manager and the Executive responsible for Human Resources attend meetings to present their respective reports at the request of the Chair.

The members of the Social and Ethics Committee are:

- Mr James Ngculu (independent Non-executive Director);
- Ms Dawn Mokhobo (independent Non-executive Director); and
- Mr Hamlet Morule (member of the Executive Committee).

The Committee presents all matters requiring the Board's attention, quarterly.

SUMMARY OF ACTIVITIES OF THE COMMITTEE DURING THE YEAR UNDER REVIEW

Health and safety

- Management tabled safety compromises, including a detailed analysis report on factors that contributed to incidents, the fatality that occurred, and the corrective and preventative measures taken to prevent recurrences.
- Health and safety reviews were undertaken continuously. The safety record was not up to expected standard thus not aligned to the Company tenet, which is to aim for zero harm to people and the environment. There was, regrettably, a fatality, and 27 injuries, of which six were serious. The LTIFR was 0.57 against a target of 0.59. Total number of fatality free shift is 227 763.

Environment

In an attempt to minimise the environmental impacts of our mining activities, the Committee took the approach to work 'smarter' towards improved efficiency and cost-reductions.

The Committee thus comprehensively reviewed management reports on environmental incidents and those related to environmental compliance. It monitored environmental awareness campaigns by management, and management engagement with relevant government departments on environmental permits and licences.

Human Resource Development

The Committee considered updates on the implementation of our HRD SLP commitments for

the period 2019 – 2023, including technical training interventions. Implementation of the training programmes have been initiated strictly according to the plan. Training interventions for the year included technical training, internships, bursaries, mentorship, community skills and portable skills.

The Committee also considered the directives by the DMRE in terms of Section 55 of the MPRDA, 2002 as amended. Regular updates on progress to achieve set employment equity targets by the Company and its major contractors were tabled at every meeting.

GOVERNANCE, REGULATION AND REPORTING THEREOF

The Committee, in compliance with its mandate:

- Reviewed the 2019 IR and recommended it for Board approval;
- Considered compliance and risk management reports;
- Received management progress reports towards achieving the Mining Charter requirements; and
- Reported quarterly to the Board on its activities.

Stakeholder engagement

The Committee received stakeholder engagement reports from management. This programme was hindered by the pandemic and various levels of lockdown. A full report on activities is available on pages 54 – 62.

Ethics management

The Code of Ethics and Business Conduct guides employees on the practical implementation of Wesizwe's core business principles and key policies, and directs them to more detailed policy standards and guidelines for business behaviour. Whilst the Committee cannot anticipate specific incidents, it assures Wesizwe stakeholders that the business principles are designed to ensure responsible decision-making by all.

Reports of alleged unethical behaviour are received through an anonymous reporting hotline. No such incidents were reported during the period under review. Ethics management is going to be a focus area of the Committee in 2021.

The Committee undertook its duties and responsibilities as stipulated in the Companies Act and regulations, and terms of reference. Areas not attended to during the review period will receive attention in 2021.



Mr James Ngculu
Chair

Our performance (continued)



Intellectual capital – Corporate Governance (continued)



Audit and Risk Committee Report

ROLE OF THE COMMITTEE

The Audit and Risk Committee has delegated authority from the Board as set out in its written terms of reference, available on the Company's website. The Audit and Risk Committee's primary functions are to:

- Monitor the integrity of the Company's financial statements and regulatory announcements relating to its financial performance, and to review significant financial reporting judgements;
- Keep under review the effectiveness of the Company's internal controls, including financial controls and risk management systems;
- Provide the Board with an independent assessment of the Company's accounting affairs and financial position;
- Monitor the effectiveness of the internal audit function and review its material findings;
- Oversee the relationship with the external auditors, including agreeing their remuneration and terms of engagement, monitoring their independence, objectivity and effectiveness, ensuring that the policy and regulations governing their engagement to provide non-audit services are appropriately applied, and making recommendations to the Board on their appointment, reappointment or removal, and to put such matters forward to the shareholders in an AGM; and
- Report to the Board on how it has discharged its responsibilities.

The Audit and Risk Committee met five (5) times during the year; one such meeting was convened on a special basis.

A report from the Chair of the Audit and Risk Committee, detailing the Committee's activities during the year follows.

Composition

The composition of the Committee remained unchanged during 2020. The Committee is comprised of three independent Non-executive Directors:

- Mr Victor Mabuza
- Mr James Ngculu
- Ms Dawn Mokhobo

Ms Dawn Mokhobo is the Chair of the Board. The Board is aware of this anomaly but is comfortable with her Committee membership notwithstanding that it is against good governance.

The appointment of all members of the Committee is subject to the shareholders' approval at the next AGM to be held on 07 May 2021. The CVs of Committee members, including their qualifications and experience, are on page 32 – 33.

Report of the Audit and Risk Committee Chair

The Committee is pleased to present its report for the financial year ended 31 December 2020. The Committee performed its work in accordance with the written terms of reference as approved by the Board, as well as its annual plan.

The Committee is an independent statutory body appointed by the shareholders. The Committee executes all statutory duties in terms of Section 94 of the Companies Act in addition to those that are delegated by the Board.

Attendance of those meetings is reflected on page 80 (committees' meetings attendance).



Our loyal employees performing their duties

Summary of material activities of the Committee during the year in review

Statutory duties

- The Committee is satisfied that it has performed the statutory requirements for an Audit and Risk Committee as set out in the Companies Act, as well as the functions set out in the Company's terms of reference, and that it has therefore complied with its legal, regulatory or other responsibilities as may be assigned by the Board. The Committee reports to both the Board and the shareholders.
- The Committee has ensured that appropriate financial reporting procedures exist and are working, which includes consideration of all entities included in the consolidated group AFS.
- In the performance of its oversight responsibilities, the Committee has ensured that it has access to all the financial information of the Company to allow the Company to effectively prepare and report on the Group AFS.
- In delivering its mandate, the Committee performed the following key strategic initiatives:
 - Considered and recommended the approval of the financial results by the Board;
 - Reviewed and approved trading updates communicated to the market;
 - Reviewed and recommended Board approval of the 2020 IR;
 - Approved the risk-based internal audit plan for the financial year and quarterly internal audit feedback;
 - Monitored the internal audit co-source agreement;
 - Approved the external audit plan for the financial year, and received feedback from an external audit at the financial year-end meeting;
 - Recommended Board approval of external audit fees.
 - Reviewed management's assessment of going concerns;
 - Satisfied itself with the independence and objectivity of the external auditor and other requirements in terms of Section 94(8) of the Companies Act and King IV Codes and Recommended Practices;
 - Ensured the independence of the internal audit function and that it had the necessary resources, standing and authority within the organisation to enable it to fulfil its duties as per the requirements of the King IV Codes of good governance;
 - Reviewed the expertise and qualifications of the Finance Director.
 - Assessed the suitability of the current audit firm and designated partner in compliance with the JSE Listing Requirements, and took into account other relevant legislation;
 - Received and reviewed reports from both internal and external auditors concerning the effectiveness of the internal control environment, systems, and processes management; and

- Reviewed and assessed the effectiveness and independence of both internal and external auditors, and was satisfied with the independence of the audit services rendered.

The Committee has approved a policy on the use of external auditors for non-audit services. The principle of the policy is to annually ensure that non-audit service fees do not exceed 30% of the Company's audit fees on an aggregated basis. There were no non-audit services rendered during this year.

EXTERNAL AUDITOR

The Committee recommended the appointment of the external auditor, SizweNtsalubaGobodo - Grant Thornton (SNG-GT) to the Board and shareholders, in compliance with the Companies Act and the JSE Listings Requirements; and the appointment of Mr Muhammed Joosub as designated auditor for the 2020 financial year.

The Committee was satisfied that the audit firm and designated auditor are accredited and appear on the JSE List of Accredited Auditors. The Committee was further satisfied that SNG-GT, was independent of the Company, which includes consideration of compliance with criteria relating to independence proposed by the Independent Regulatory Board for Auditors. The Committee, in consultation with executive management, agreed to the engagement letter, terms, audit plan, and budgeted audit fees.

The Committee performed the following responsibilities for external audit:

- Recommended the appointment of an external auditor and carried out its oversight duties in the external audit process. In this regard the Committee:
 - Nominated the external auditor for appointment by the shareholders;
 - Recommended the Board approve the annual audit fee and terms of engagement of the external auditor;
 - Monitored and reported on the independence of the external auditor in the AFS;
 - Defined a policy for non-audit services and pre-approved the non-audit services to be provided by the external auditor;
 - Ensured there is a process for the Committee to be informed of any reportable irregularities as defined in the Auditing Profession Act, 2005, identified and reported by the external auditor;
 - Reviewed the quality and effectiveness of the external audit process; and
 - Considered whether the audit firm and, where appropriate, the individual auditor responsible for performing the functions of auditor, are accredited on the JSE List of Accredited Auditors and their advisors, as required by the JSE Listings Requirements.

Our performance (continued)



Intellectual capital – Corporate Governance (continued)

INTERNAL AUDITOR

The Committee is satisfied that the internal auditor, Mazars Advisory (Pty) Ltd (Mazars), was independent of the Company, which includes consideration of compliance with criteria relating to the Institute of Internal Auditors.

The internal audit plan was approved and Mazars has access to the Committee, primarily through its Chair. The Committee exercised the following responsibilities for internal audit:

- The appointment, performance assessment, and/or dismissal of the internal auditor;
- Approval of the internal audit charter and the internal audit plan; and
- To ensure that the internal audit function is subject to an independent quality review as and when the Committee determines appropriate.

INTERNAL FINANCIAL CONTROL

No red flags have been raised for the Committee to believe that the Company's system of internal controls and risk management are not effective and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements.

DUTIES ASSIGNED BY THE BOARD

The Committee oversees the preparation of the Company's IR and the reporting process, including the system of internal financial control. During the year under review, the Committee met with the external auditor without the presence of management. The Committee is satisfied that it has complied with its legal, regulatory, and other responsibilities.

EXPERTISE OF THE FINANCIAL DIRECTOR AND FINANCE FUNCTION

In compliance with paragraph 3.84(h) of the JSE Listings Requirements, the Committee is satisfied with the appropriateness of the expertise and experience of the financial management team as a whole. The Committee has reviewed the qualification and expertise of the Financial Director through a formal evaluation process and is satisfied with the Financial Director's performance supported by the Finance Team.

GOING CONCERN

The Committee reviewed the documents prepared by management in which they assessed the going concern status of the Company and its subsidiaries at year-end and the near future. Management concluded that the Group was a going concern. The Committee resolved and recommended acceptance of this conclusion to the Board.



BPM employees busy with mini risk assessment

FINANCIAL STATEMENTS

The Committee has reviewed the financial statements of the Group and the Company for the year ended 31 December 2020 and is satisfied that they comply with the IFRS and the Companies Act, and that areas of judgement were discussed to confirm accounting estimates.

RISK MANAGEMENT

The Board has assigned oversight of the Company's risk management function to the Committee and the risk register, consisting of strategic, operational and IT risks, is tabled at each meeting for discussion. The risk register also acts as the anchor on which independent assurance activities are developed.

The Committee did not consider the Company's strategic risks for the reporting period because the risks were not reviewed and assessed, a strategic risk assessment workshop to identify the top key risks of the company will be held in Q1 of 2021.

FRAUD PREVENTION

A fraud prevention plan has been implemented and the anonymous tip-off line is functional. Monthly reports are provided by the independent service provider. The monitoring of reports from this service is shared between this Committee and the Social and Ethics Committee.

TECHNOLOGY GOVERNANCE AND IT

The Committee is responsible for:

- Obtaining independent assurance on the effectiveness of the IT internal controls;
- Overseeing the value delivery on IT, and monitoring the return on investments from significant IT projects;
- Ensuring that IT forms an integral part of the Company's risk management.

The lack of activity in technology governance and IT relates to a dearth of relevant and appropriate skills to execute the function. This is another key focus area for 2021.

RECOMMENDATION OF THE ANNUAL FINANCIAL STATEMENTS FOR APPROVAL BY THE BOARD

The Committee recommended the Group's AFS and Company AFS for approval by the Board.

The Committee carried out its work as statutorily required. The Committee has considered the JSE's most recent report on proactive monitoring of financial statements, and where necessary those of previous periods, and taken appropriate action where necessary to respond to the findings as highlighted in the JSE report when preparing the AFS for the year ended 31 December 2020.



Mr Victor Thembinkosi Mabuza
Chair



BPM employees discussing support strategies

Our performance (continued)



Intellectual capital – Corporate Governance (continued)



Remuneration Committee Report

The Committee has an independent role to oversee the remuneration process, consider and approve remuneration-related issues, and make recommendations to the Board in relation to Board appointments. The Committee assists in setting the Company's remuneration policy as well as remuneration for Directors and executive management.

The Committee performed its work in accordance with the written terms of reference approved by the Board, as well as its annual plan.

Composition

The Committee, is comprised of a majority of independent Non-executive Directors:

Mr Pengfei Li;
Mr Huigao Guo;
Ms Dawn Mokhobo ;
Mr James Ngculu;
Mr Victor Mabuza

Report of the Chair of the Remuneration Committee

The Committee is pleased to present its report for the financial year ended 31 December 2020. The Committee undertook its mandate in accordance with the written terms of reference as approved by the Board, as well as its annual plan.

PART 1: BACKGROUND STATEMENT

Since presenting the last remuneration policy to shareholders, no changes were made but we have enhanced our variable pay disclosure.

The Committee held three (3) scheduled and one special meeting during the period under review, the attendance of which is reflected on page 80 (Committee's meeting attendance).

Summary of material activities of the Committee during the year under review

- Ensured that Wesizwe adhered to fair and responsible remuneration across the Company, specifically in terms of annual increases, bonuses, and long-term incentive payments.
- Reviewed the overall level of variable remuneration in the Company, versus the market.
- Reviewed and approved the 2020 Company Scorecard.
- Recommended Board approval for the payment of vested Deferred Bonus Plan to three executives;

- Reported quarterly to the Board on its activities; and
- Recommended to the Board for the review of the Deferred Bonus Plan of the Company and the overall remuneration philosophy.

In line with the King IV Code, and the JSE Listings Requirements, the report is presented in three parts: background statement; the Company-wide remuneration philosophy and policy with specific focus on the policy as it applies to executive management; and implementation of the policy for the 12 months from 01 January 2020 to 31 December 2020.

We believe our key performance objectives, which are used for the measurement and determination of short- and deferred bonus incentive awards, are aligned with Company goals and strategies. At the AGM on 31 July 2020, our 2020 remuneration report was presented.

VOTING AT THE PAST AGM

Voted by shareholders representing 69,53% of the total votes exercisable were in attendance whether in person, by proxy or authorised representative and the results of their voting were as follows:

- **Section 1:** Endorsement of the remuneration policy endorsed by 99,97% in favour and 0,03% against of shareholders that voted; and
- **Section 2:** Endorsement of the remuneration implementation report endorsed by 99,97% in favour and 0.03% against of shareholders that voted.

As the non-binding advisory votes were passed with the requisite majority, no further engagement with shareholders was required.

PART 2: REMUNERATION POLICY

The remuneration and reward policy has been created to ensure that employees are remunerated in an equitable and fair manner in recognition of the Company's reward policy that has a direct impact on operational expenditure, company culture, employee behaviour and ultimately, with correct alignment, on the Company's ongoing strategic sustainability. As such, the reward policy is defined, monitored and managed over time, to ensure sustained effectiveness. It is also consistent with the Company's business objectives and its strategic value drivers. This philosophy is implemented by the Human Resources Executive with oversight by the Remuneration Committee of the Board (REMCO). For further details, refer to the Human Capital section of the report commencing on page 63.

PART 3: REPORT ON IMPLEMENTATION OF THE POLICY

We implement the policy through the use of a remuneration mix consisting of guaranteed pay, variable pay, allowances, travel re-imbursement, guaranteed bonus, medical aid allowance, retirement fund employee and employer contributions etc. The details of this section can be found under the Human Capital report section commencing on page 63.

VOTING AT THE UPCOMING AGM

King IV recommendations, as well as the JSE Listings Requirements, require a listed company to table its remuneration policy and implementation report for separate non-binding advisory votes by shareholders at the AGM. This vote enables shareholders to express their views on the remuneration policies adopted and on their implementation.

The remuneration policy and its implementation report will be presented to shareholders for separate non-binding advisory votes thereon at the Company's upcoming AGM to be held on 07 May 2021.

In the event that 25% or more of shareholders vote against either the remuneration policy or the implementation report at the meeting, the Company will engage with shareholders through dialogue, requesting written submissions or otherwise, in order to address shareholder concerns, always with due regard to meeting-stated business objectives, while being fair and responsible toward both employees and shareholders.

I am pleased to report that the shareholders did not vote against the remuneration policy and the implementation report at the AGM held on 31 July 2020.



Mr Pengfei Li
Chair



Report of the Chair of the Technical Committee

The Committee is pleased to present its report for the financial year ended 31 December 2020. The Committee performed its work in accordance with the written terms of reference approved by the Board, as well as its annual plan.

The Committee's primary objective is to create long-term value for stakeholders by assisting the Board to adopt sound principles in the management of safety, health, and environment in building the BPM, and in addition to any technical matters beyond the statutory requirements.

Composition

The Committee comprises of a majority Non-executive Directors, who are:

Mr Huigao Guo
Mr James Ngculu and
Mr Zhimin Li

The Committee held four scheduled meetings of which one was a special meeting during the period under review, the attendance of which is reflected on page 80 (committees' meetings attendance).

The Committee, in fulfilling its mandate:

- Oversees statutory and regulatory compliance relating to the development of the BPM;
- Assists the Board in discharging its responsibility towards operational risks related to mine construction; and
- Oversees the technical aspects of design, engineering, procurement, and development (construction) of the BPM.

Summary of material activities of the Committee during the year under review

The Committee:

- Considered technical reports in relation to mine project development;
- Considered safety, health and environmental reports, including project-related compliance reports;
- Recommended Board approval of the 2021 BPM plan for building a 1mtpa capacity mine in 2021, and the ramp up to a 3mtpa mine capacity by 2027 with a 2 module MF2 processing plant introduced to lessen the impact of financial constraints coupled with low global metal prices; and
- Reported quarterly to the Board on its activities.



Mr Huigao Guo
Chair

Our performance (continued)



Intellectual capital – Corporate Governance (continued)



Executive Committee

The Exco comprises the Company's two Executive Directors and senior executive management as shown on page 34 of this report. Exco is diverse as it comprises of 66% African, two of which are female. It meets monthly and on an ad-hoc basis to implement the Board-approved strategy for the Company and has delegated individual members of Exco to take responsibility for driving the social, environmental and economic programmes. In addition, Exco assists the CEO to guide and control the overall direction of the Company, monitor business performance and act as a medium of communication and co-ordination between management and the Board.

Exco deliberates, takes decisions, and makes recommendations on all matters of strategy and operations. These decisions and recommendations are sometimes referred to the Board or relevant Committee for final approval, whilst in other cases Exco exercises its power to make decisions as delegated in terms of the Board-approved mandate.

COMPANY SECRETARY

The Company Secretary played a vital role in ensuring that the Company adheres to good governance and is responsible for ensuring compliance by the Company and the Board with statutory and regulatory requirements. The Company Secretary has ensured compliance with the JSE Listings Requirements and applicable legislation, and is responsible for the submission of the annual compliance certificate to the JSE Limited. The Company Secretary has provided the Board as a whole, and the individual Directors, with guidance on discharging their responsibilities and duties.

The Company Secretary is not a Director of the Company and only has a working relationship with the Board, acting as a primary link between the Board and management.

The Company Secretary has ensured that, in accordance with pertinent laws and regulatory frameworks, the proceedings and affairs of the Board and its members, the Company and, where appropriate, the holders of securities in the Company, are properly administered.

The Company Secretary has performed the role of Secretary for all the meetings of the Board and its sub-Committees. The Board conducted an evaluation of the Company Secretary in November 2020 and has satisfied itself that the Company Secretary is suitably qualified, experienced, and competent to carry out the designated duties and responsibilities.

BOARD STATEMENT

The Board is satisfied that this IR complies in all material respects with the relevant statutory requirements of the various regulations governing disclosure and reporting, and that the AFS comply in all material respects with the Companies Act No 71 of 2008, as amended, as well as with International Financial Reporting Standards. As such, the Board approves the content of the Integrated Annual Report 2020, including the Abridged Annual Financial Statements 2020.

ABRIDGED ANNUAL FINANCIAL STATEMENTS

— Abridged consolidated statement of financial position	90
Abridged consolidated statement of profit or loss and other comprehensive income	91
Abridged consolidated statement of changes in equity	92
Abridged consolidated statement of cash flows	93
Notes to the abridged consolidated financial statements	94
SHAREHOLDERS' INFORMATION	
Shareholder register analysis	100
Notice of the Annual General Meeting	102
Form of proxy	111

Abridged consolidated statement of financial position

as at 31 December 2020

	Notes	2020 R'000	2019 R'000
Assets			
Property, plant and equipment	5	11 786 909	9 946 189
Other financial assets	6	22 692	17 222
Intangible assets		–	570
Non-current assets		11 809 601	9 963 981
Inventories		483 407	120 796
Other receivables		437 838	179 836
Restricted cash	7	81 028	81 028
Cash and cash equivalents		899 406	2 127 557
Current assets		1 901 679	2 509 217
Total assets		13 711 280	12 473 198
Equity and liabilities			
Stated capital	8	3 425 544	3 425 544
Market to market reserves		10 477	6 232
Accumulated loss		(351 863)	(403 645)
Capital and reserves		3 084 158	3 028 131
Deferred tax liability	9	409 278	390 081
Lease liability		7 655	7 664
Interest-bearing borrowings	13	9 292 583	8 776 645
Mine closure and environmental rehabilitation obligation	10	42 242	47 361
Cash-settled share-based payment liability		5 943	6 037
Non-current liabilities		9 757 701	9 227 788
Lease liability		9	7
Interest-bearing borrowings	13	65 712	14 054
Shareholder's loan	14	599 110	–
Trade and other payables		204 360	182 807
Taxation	9	230	20 411
Current liabilities		869 421	217 279
Total liabilities		10 627 122	9 445 067
Total equity and liabilities		13 711 280	12 473 198

Abridged consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2020

	2020 R'000	2019 R'000
Operations		
Administration expenses	(75 444)	(65 638)
	(75 444)	(65 638)
Other income	188	–
Net operating costs	(75 256)	(65 638)
Finance income and expense		
Finance income	229 206	307 677
Finance expense	(101 121)	(95 664)
Net finance income	128 085	212 013
Profit before tax	52 829	146 375
Income tax expense	(1 047)	(49 572)
Profit for the year	51 782	96 803
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Gain on fair value movements of equity instrument at FVOCI	5 470	8 031
Income tax relating to fair value movements of equity instrument	(1 225)	(1 799)
Total other comprehensive income	4 245	6 232
Total comprehensive income for the year	56 027	103 035
Earnings per share		
		Restated*
Basic and diluted earnings per share (cents)	3.18	5.95
Headline and diluted headline earnings per share (cents)	3.17	5.95

* Refer to note 16.

Abridged consolidated statement of changes in equity

for the year ended 31 December 2020

	Stated capital R'000	Reserves R'000	Accumulated loss R'000	Total R'000
Balance at 1 January 2019	3 425 544	–	(500 448)	2 925 096
Profit for the year	–	–	96 803	96 803
Other comprehensive income	–	6 232	–	6 232
Total comprehensive income for the year	–	6 232	96 803	103 035
Balance at 31 December 2019	3 425 544	6 232	(403 645)	3 028 131
Profit for the year	–	–	51 782	51 782
Other comprehensive income	–	4 245	–	4 245
Total comprehensive income for the year	–	4 245	51 782	56 027
Balance at 31 December 2020	3 425 544	10 477	(351 863)	3 084 158

Abridged consolidated statement of cash flows

for the year ended 31 December 2020

	Notes	2020 R'000	Restated* 2019 R'000
Cash flows from operating activities			
Cash from operating activities		(506 861)	(162 046)
Cash utilised in operating activities		(506 861)	(162 046)
Finance income received		90 863	15 874
Finance cost paid		(1 472)	(1 474)
Taxation received		227	–
Taxation paid		(3 483)	(538)
Cash utilised in operating activities		(420 726)	(148 184)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1 028 502)	(621 126)
Finance cost paid capitalised		(535 113)	(482 716)
Net cash outflow from investing activities		(1 563 615)	(1 103 842)
Cash flows from financing activities			
Interest-bearing borrowings raised	13	181 943	2 815 607
Interest-bearing borrowings repaid	13	(80 105)	–
Shareholder's loan raised	14	599 175	–
Repayment of lease liability		(7)	(5)
Net cash inflow from financing activities		701 006	2 815 602
Net (decrease)/increase in cash and cash equivalents		(1 283 335)	1 563 576
Exchange gains/(losses) on cash and cash equivalents		55 184	(18 487)
Cash at beginning of the year		2 127 557	582 468
Cash and cash equivalents		899 406	2 127 557

* Refer to note 20.

Notes to the abridged consolidated financial statements

for the year ended 31 December 2020

1. Reporting entity

Wesizwe Platinum Limited ("Wesizwe" or the "Company") is a company domiciled in the Republic of South Africa. The abridged consolidated financial statements for the year ended 31 December 2020 comprise the Company and its subsidiaries (together referred to as the "Group"). The audited consolidated financial statements of the Group for the year ended 31 December 2020 are available at www.wesizwe.com.

2. Statement of compliance

These abridged consolidated financial statements ("abridged report") are prepared in accordance with International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act 71 of 2008, as amended as well as the Johannesburg Stock Exchange ("JSE") Listings Requirements. The report is prepared in accordance with IFRS, IAS 34 – *Interim Reporting*.

These abridged financial statements have been extracted from the complete set of financial statements, but is itself not audited, on which the auditors, SizweNtsalubaGobodo Grant Thornton Inc., have expressed an unqualified audit opinion. A copy of the auditor's report is available for inspection at the Company's registered office.

The financial statements have been prepared under the supervision of the Finance Director, Mr. Jianguo Liu.

The Directors of Wesizwe take full responsibility for the preparation of the abridged report and that the financial information has been correctly extracted from the underlying audited annual financial statements.

3. Accounting policies

The accounting policies used to prepare this report are in terms of IFRS and are consistent with those used in the previous annual financial statements.

4. Estimates

The preparation of financial statements in terms of IFRS requires management to use estimates and assumptions that may materially affect the reported amounts of assets and liabilities, as well as income and expenses. These estimates and judgements are based on historical experience, current and expected future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

5. Property, plant and equipment

	Mine Assets R'000	Other R'000	Total R'000
Balance at 1 January 2019	7 617 325	1 240 777	8 858 102
Additions	1 079 445	16 783	1 096 228
Depreciation	–	(8 141)	(8 141)
Balance at 1 January 2020	8 696 770	1 249 419	9 946 189
Additions	1 802 364	47 347	1 849 711
Depreciation	–	(8 991)	(8 991)
Balance at 31 December 2020	10 499 134	1 287 775	11 786 909

6. Other financial assets

	2020 R'000	2019 R'000
Listed equity securities*		
Opening balance	17 222	9 191
Gain on fair value adjustments	5 470	8 031
Closing balance	22 692	17 222

* Royal Bafokeng Platinum Limited ("RBPlats") and Platinum Group Metals South Africa (Pty) Ltd ("PTM SA") concluded a transaction of sale in which RBPlats acquired Maseve Investments 11 (Pty) Ltd ("Maseve"), a concentrator plant and surface rights in respect of the immovable property owned by Maseve. Africa Wide Mineral Prospecting and Exploration (Pty) Ltd ("Africa Wide"), a subsidiary of Wesizwe owned 17.1% of Maseve and other assets forming part of the RBPlats acquisition. Africa Wide received an issue of RBPlats shares as proceeds of sale for its 17.1% of the assets acquired. Wesizwe and Africa Wide disputed the validity of the transaction concluded and have commenced with processes for litigious relief. This process was still ongoing in the 2020 financial year.

Investment in equity is measured at fair value in the abridged consolidated statement of financial position. Fair values of the listed shares have been calculated by reference to quoted bid prices in active markets at the reporting date and are categorised within Level 1 of the fair value hierarchy. The shares in RBPlats are listed on the JSE, and the Group is satisfied that there is an active market. Transactions takes place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The current investment in equities is not held for trading and the Group has elected to irrevocably designate at FVOCI.

7. Restricted cash

	2020 R'000	2019 R'000
Eskom – connection guarantees	44 828	44 828
Department of Mineral Resources and Energy – rehabilitation obligation	36 200	36 200
Total	81 028	81 028

Call deposits have been encumbered as a result of guarantees issued to certain service providers. Management is in advanced stages of replacing Department of Mineral Resources and Energy, and Eskom restricted cash guarantees with insurance guarantees. Due to unforeseen circumstances in 2020, the call deposits have yet to be replaced with insurance guarantees which is expected to happen in 2021.

8. Stated capital

	2020 R'000	2019 R'000
Authorised		
2 000 000 000 no par value ordinary shares		
Issued		
1 627 827 058 no par value ordinary shares	3 425 544	3 425 544

Notes to the abridged consolidated financial statements continued

for the year ended 31 December 2020

9. Taxation

9.1 Income tax payable

	2020 R'000	2019 R'000
Balance at the beginning of the year	20 411	(280)
South African company tax	(16 925)	21 229
Taxation paid	(3 483)	(538)
Taxation refund received	227	–
Balance at the end of the year	230	20 411

9.2 Deferred tax

	2020 R'000	2019 R'000
Deferred tax liability		
Balance at the beginning of the year	390 081	359 939
Current year charges	19 197	30 142
Property, plant and equipment	536 038	264 407
Other financial assets	1 225	1 799
Prepayments	66 214	40 590
Unredeemed mining capex	(585 741)	(274 654)
Lease liability	28	(71)
Provisions	1 433	(1 929)
Balance at the end of the year	409 278	390 081

10. Mine closure and environmental rehabilitation obligation

This long-term obligation reflects the net present value of closure, restoration, and environmental rehabilitation costs, (including the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) of which cashflows is expended at the end of life of the mine. The annual changes can be ascribed to additional disturbances caused during the year and changes in the escalation and discount rates. This estimate is based on the current cost estimate and escalated to the future planned closure date and then discounted at an appropriate rate. The current estimates are based on environmental plans in accordance with current technology, environmental and regulatory requirements and the measurements of an independent professional surveyor.

At the time of establishing the provision, a corresponding asset is recognised that will be depreciated over the future life of the asset to which it relates. The provision is re-assessed on an annual basis for changes in cost estimates, discount rates, and escalation rates.

As required by the Department of Mineral Resources and Energy, a deposit of R36.2-million (2019: R36.2-million) is held with a financial institution. Refer to note 7. This investment has been ceded as security in favour of the guarantees which the bank issued on behalf of the Group. The guarantees have been provided to the Department of Mineral Resources and Energy for the mine closure and environmental rehabilitation.

The discount rate regarded as an appropriate long-term risk-free rate is 6.66% (2019: 8.25%) and the appropriate escalation rate is 2.53% (2019: 4.81%). The current cost rehabilitation estimate is R137.9-million (2019: R128.9-million).

11. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. No segment reporting has been produced as the Group is conducting construction activities in one geological location which represents its only business activity with no revenue yet.

12. Subsequent events

No material events have occurred after the reporting period and up to the date of this report that required further disclosure in these financial statements.

13. Interest-bearing borrowings

	2020 R'000	2019 R'000
China Development Bank		
Opening balance	8 790 699	6 193 998
Drawdown	181 943	2 815 607
Interest accrued	699 058	475 218
Interest repayment	(535 113)	(482 716)
Loan repayment	(80 105)	–
Realised foreign exchange gain	(12 747)	(43 926)
Unrealised foreign exchange loss/(gain)	314 560	(167 482)
Closing balance	9 358 295	8 790 699
Non-current	9 292 583	8 776 645
Current	65 712	14 054
Closing balance	9 358 295	8 790 699

The Group has secured and utilised a US\$650-million loan. The variable interest rate is determined every six months, in advance, at the ruling 'six month LIBOR rate' plus 3.5%. The term of the loan is 15 years from the date of the first drawdown, i.e. January 2014. No capital repayments were due during the first six years. Repayments in semi-annual instalments over the last nine years of the loan commence at an amount equal to 0.077% of the outstanding balance at the end of the sixth year, after which every instalment increases until the second last payment amounts to 8.5% of the initial outstanding amount. The last instalment repays the total balance. The interest expense is payable bi-annually. The interest expense is included in the effective interest rate calculation. Instalment payments started in 2020, as scheduled, with the final payment in 2028.

14. Shareholder's loan

	2020 R'000	2019 R'000
Jinchuan Group (Hong Kong) Resources Holdings Limited		
Opening balance	–	–
Shareholder's loan – drawdown	599 175	–
Unrealised foreign exchange gain	(65)	–
Closing balance	599 110	–

The Group has secured a US\$41-million loan. The interest rate is determined quarterly in advance at the ruling 'six month LIBOR rate' plus 3.5%. The interest is payable quarterly and the capital payable at the end of 12 months.

15. Fair values

The fair values together with the carrying amounts shown in the balance are as follows:

	Notes	Group 2020		Group 2019	
		Carrying amount R'000	Fair value R'000	Carrying amount R'000	Fair value R'000
Cash and cash equivalents		899 406	899 406	2 127 557	2 127 557
Restricted cash	7	81 028	81 028	81 028	81 028
Other receivables*		671	671	2 934	2 934
Investment in equity asset	6	22 692	22 692	17 222	17 222
Trade and other payables*		(161 962)	(161 962)	(148 768)	(148 768)
Shareholder's loan	14	(599 110)	(599 110)	–	–
Interest-bearing borrowings	13	(9 358 295)	(9 638 134)	(8 790 699)	(8 996 354)
		(9 115 570)	(9 395 409)	(6 710 726)	(6 916 381)

* Excludes VAT, prepayments and employee costs accruals.

Notes to the abridged consolidated financial statements continued

for the year ended 31 December 2020

15. Fair values continued

The levels are classified as follows:

Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities.

Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs.

Level 3 – fair value is determined on inputs not based on observable market data.

There were no transfers between any of the levels during the year.

Cash and restricted cash, which although carried at amortised cost subsequent to initial recognition, will equal the amount receivable from the third party financial institutions, thus fair value.

The fair value of other receivables, trade payables and the current portion of interest-bearing borrowings is carried at amortised cost which approximates carrying amounts as the amounts will be received or settled in the short term.

Management established the fair value of loans to subsidiaries using a method consistent with the level 3 hierarchy as unobservable inputs were used. Fair value is determined by discounting the carrying amount at the prime lending rate for six to twenty years depending on the expected payback of the loan. There were no significant interrelationships between inputs identified and the changing of one unobservable input to reflect reasonably possible alternative assumptions would not change the fair value significantly.

The long-term interest-bearing borrowings is measured using level 2 at amortised cost using the effective interest method. The fair value of long-term borrowings is calculated at market adjusted contractual interest rates at year-end. Refer to note 13.

Investment in equity asset is measured at fair value using level 1 values obtained directly from the JSE.

16. Headline earnings per share

	2020	Restated* 2019
The basis of calculation of headline earnings and diluted headline earnings per share is:		
Earnings attributable to ordinary shareholders (rand)	51 781 858	96 802 424
Other income	(145 517)	–
Headline earnings	51 636 341	96 802 424
Weighted average number of ordinary shares in issue (shares)	1 627 827 058	1 627 827 058
Headline earnings and diluted headline earnings per share (cents)*	3.17	5.95

* The prior year basic and diluted earnings per share has been restated to not include the other comprehensive income fair value adjustment that was erroneously included within the calculation. The correction results in the basic earnings and diluted earnings per share being 0.38 cents per share lower compared to the 6.33 cents per share as previously reported. Headline earnings and diluted headline earnings per share were not affected.

17. Capital commitments

Capital commitments for the next 12 months' amounts to R942.2-million (2019: R934.2-million).

18. Dividends

No dividends were declared for the year ended 31 December 2020.

19. Prospects

The updated feasibility study of the Bakubung project was tested by the auditors for an impairment assessment and still continues to yield very encouraging results.

20. Reclassification

Reclassification of exchange losses on cash and cash equivalents

1. In prior year results, exchange losses on cash and cash equivalents was presented as part of "Cash utilised from operations" in the statement of cash flows for the Group. It was decided to improve presentation by disclosing this line item separately as "exchange losses on cash and cash equivalents". The revised presentation is consistent with IAS 7 requirements "The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the statement of cash flows in order to reconcile cash and cash equivalents at the beginning and the end of the period. This amount is presented separately from cash flows from operating, investing and financing activities."
2. In prior year results, finance costs paid capitalised was presented as part of "Acquisition of property, plant and equipment" in the statement of cash flows for the Group. In the current year, it was decided to disclose this item separately as "finance costs paid capitalised". The revised presentation is consistent with IAS 7 requirements "Cash flows from interest and dividends received and paid shall each be disclosed separately. Each shall be classified in a consistent manner from period to period as either operating, investing, or financing activities. The total amount of interest paid during a period is disclosed in the statement of cash flows whether it has been recognised as an expense in profit or loss or capitalised in accordance with IAS 23 *Borrowing Costs*."

GROUP 2019	As previously reported R'000	Re- classification R'000	Re- stated R'000
Cash flows from operating activities			
Cash flows from operating activities	(180 533)	18 487 ¹	(162 046)
Cash utilised in operations	(180 533)	18 487¹	(162 046)
Finance income received	15 874	–	15 874
Finance cost paid	(1 474)	–	(1 474)
Taxation paid	(538)	–	(538)
Cash utilised in operating activities	(166 671)	18 487¹	(148 184)
Cash flows from investing activities			
Acquisition of property, plant and equipment	(1 103 842)	482 716 ²	(621 126)
Finance cost paid capitalised	–	(482 716) ²	(482 716)
Net cash outflow from investing activities	(1 103 842)	–	(1 103 842)
Cash flows from financing activities			
Interest-bearing borrowings raised	2 815 607	–	2 815 607
Repayment of Lease Liability	(5)	–	(5)
Net cash inflow from financing activities	2 815 602	–	2 815 602
Net increase in cash and cash equivalents	1 545 089	18 487¹	1 563 576
Exchange losses on cash and cash equivalents	–	(18 487) ¹	(18 487)
Cash at beginning of the period	582 468	–	582 468
Cash and cash equivalents	2 127 557	–	2 127 557

¹ Please refer to note 1 above.

² Please refer to note 2 above.

Shareholder register analysis

Shareholder spread	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
1 – 1 000	1 461	31.06	466 174	0.03
1 001 – 10 000	1 338	28.44	5 787 286	0.36
10 001 – 100 000	1 299	27.61	50 163 159	3.08
100 001 – 1 000 000	512	10.88	162 187 371	9.96
Over 1 000 000	94	2.00	1 409 223 068	86.57
Total	4 704	100.00	1 627 827 058	100.00

Distribution of shareholders

Close Corporations	35	0.74	2 679 975	0.16
Collective Investment Schemes	2	0.04	1 660 405	0.10
Custodians	20	0.43	95 464 192	5.86
Foundations & Charitable Funds	4	0.09	92 623	0.01
Insurance Companies	1	0.02	217 021	0.01
Investment Partnerships	18	0.38	993 512	0.06
Managed Funds	8	0.17	6 585 122	0.40
Private Companies	73	1.55	989 997 779	60.82
Public Companies	2	0.04	211 850 126	13.01
Retail Shareholders	4 359	92.67	277 701 743	17.06
Retirement Benefit Funds	3	0.06	438 899	0.03
Scrip Lending	1	0.02	163 251	0.01
Stockbrokers & Nominees	7	0.15	603 720	0.04
Trusts	169	3.59	39 374 025	2.42
Unclaimed Scrip	2	0.04	4 665	0.00
Total	4 704	100.00	1 627 827 058	100.00

Shareholder type

Non-public shareholders	1	0.02	5 795 888	0.36
Directors and Associates	1	0.02	5 795 888	0.36
Beneficial Shareholders > 10%	2	0.04	944 372 302	58.01
China Africa Jinchuan Investments Ltd	1	0.02	732 522 177	45.00
Rustenburg Platinum Mines Limited	1	0.02	211 850 125	13.01
Public shareholders	4 701	99.94	677 658 868	41.63
Total	4 704	100.00	1 627 827 058	100.00

Beneficial shareholders with a holding greater than 3% of the issued shares	Number of shares	% of issued capital
China Africa Jinchuan Investments Ltd	732 522 177	45.00
Rustenburg Platinum Mines Limited	211 850 125	13.01
Micawber 809 (Pty) Ltd	97 362 283	5.98
Africa Continental Resource Venture	73 630 000	4.52
Total	1 115 364 585	68.52

Total number of shareholdings **4 704**

Total number of shares in issue **1 627 827 058**

Share price performance

Opening Price 02 January 2020	R0.51
Closing Price 31 December 2020	R0.50
Closing High for period	R0.59
Closing low for period	R0.35
Number of shares in issue	1 627 827 058
Volume traded during period	111 985 415
Ratio of volume traded to shares issued (%)	6.88%
Rand value traded during the period	R48 580 423
Price/earnings ratio as at 31 December 2020	8.40
Earnings yield as at 31 December 2020	11.90
Dividend yield as at 31 December 2020	0.00
Market capitalisation at 31 December 2020	R813 913 529

Notice of Annual General Meeting

Wesizwe Platinum Limited

(Incorporated in the Republic of South Africa)
(Registration number: 2003/020161/06)
Share Code: WEZ ISIN: ZAE000075859
("Wesizwe" or "the Company" or "the Group")

Notice is hereby given that the Annual General Meeting (AGM) of the Company's shareholders will be held via Video Conference on Friday, 7 May 2021 at 09h00 ("the annual general meeting" or "AGM").

Purpose

The purpose of the AGM is to transact the business set out in this notice of AGM (" ") by considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions hereunder.

Agenda

1. Presentation of the Group's audited annual financial statements (AFS), the Directors' reports, the independent auditor's report, the Audit and Risk Committee's report, as well as the report of the Social and Ethics Committee for the year ended 31 December 2020. The integrated report (IR), containing the complete audited AFS, is available at www.wesizwe.co.za
2. To consider and, if deemed fit, approve, with or without modification, the following special and ordinary resolutions:

Note:

For special resolution numbers 1, 2, 3 and 4 to be adopted, at least 75% of the voting rights exercised on each such special resolution must be exercised in favour thereof.

For ordinary resolution numbers 1 to 8 to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.

For ordinary resolution number 9 to be adopted, at least 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

1. Special business

1.1 Special resolution number 1: Remuneration of Non-executive Directors

Reason for special resolutions

- Section 66(9) of the Companies Act, 2008 (as amended) ("the Companies Act") stipulates that payment of remuneration for Directors, described as remuneration for "services as Directors", may only be paid in accordance with a special resolution wherein shareholders authorise "the basis for compensation" to Directors as required in terms of Section 65(11)(h) of the Companies Act.
- In addition, King IV recommends (i) the Non-executive Directors' remuneration be pre-approved by shareholders for the ensuing year and that such remuneration should comprise both a base fee and an attendance fee and, (ii) the Board should be mandated to determine the remuneration of the Executive Directors in accordance with the guiding principles of the Company's remuneration policy.
- Accordingly, the reason for special resolutions and to pre-approve the remuneration of the Non-executive Directors of the Company for the ensuing year, and to mandate the Board to set and pay the Executive Directors remuneration on a pay-for-performance basis in accordance with the guidelines as set out in the Company's remuneration policy.

The Remuneration Committee, having compared and benchmarked the Directors remuneration with peers in the market and having found it fair, recommends that shareholders consider and approve the Directors remuneration for the ensuing year by adopting, with or without modification, the special resolutions below as stand-alone resolutions that are to be voted on separately (as indicated in the table):

"Resolved, in terms of Section 66(9) of the Companies Act, 2008, as amended ("the Companies Act"), that the current remuneration payable to the Non-executive Directors will remain unchanged and will be valid until the next AGM of the Company to be held in 2022".

Category	Current Retainer (ZAR)	Current meeting attendance fee
Board		
Chairman	28 007,00	19 066,00
Non-executive Director	9 058,00	9 630,00
Independent Non-executive Director	11 737,00	10 140,00
Audit and Risk Committee		
Chairman	0,00	24 412,00
Member	0,00	13 020,00
Remuneration Committee		
Chairman	0,00	24 412,00
Member	0,00	13 020,00
Social and Ethics Committee		
Chairman	0,00	24 412,00
Member	0,00	13 020,00
Technical Committee		
Chairman	0,00	24 412,00
Member	0,00	13 020,00

Effect of special resolution 1

The effect of special resolution number 1 is that the Non-executive Directors remuneration will be fixed for the ensuing year and that the Board, through the Remuneration Committee, will be authorised to set and pay fair and responsible remuneration to the Executive Directors for services rendered to the Company as Directors, without requiring further shareholder approval until the next AGM of the Company.

1.2 Special resolution number 2: financial assistance to related, and inter-related, companies

Reason for special resolution number 2

- In terms of the Act, the Company is required to obtain shareholders' approval by way of a special resolution for the provision by it of inter-Group loans or other direct or indirect financial assistance to a subsidiary and future subsidiaries of the Company or a related or inter-related Company (as contemplated in Sections 44 and 45 of the Companies Act) for purposes of funding the activities of the Group.
- The Board is required in terms of Sections 44 and 45 of the Companies Act, to adopt a resolution for the giving of such financial assistance but may not do so unless the Board is satisfied that:

- Immediately after providing the financial assistance, the Group would satisfy the solvency and liquidity test as contemplated in Section 4 of the Companies Act;
- The terms under which the financial assistance is proposed to be given are fair and reasonable to the Group;
- Any conditions or restrictions in respect of the granting of financial assistance set out in the Company's Memorandum of Incorporation (MOI) have been satisfied; and
- Written notice of any such resolution by the Board shall be given to all shareholders of the Group and any trade union representing its employees:
 - ~ Within 10 business days after the Board adopts the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous financial assistance during the financial year, exceeds 0.1% of the Group's net worth at the time of the resolution; or
 - ~ Within 30 business days after the end of the financial year, in any other case

Accordingly, it is proposed that shareholders mandate the Board, to the extent required and by way of a general authority, to provide direct or indirect financial assistance to any

Notice of Annual General Meeting *continued*

subsidiary or related or inter-related Company in accordance with the provisions of Sections 44 and 45 of the Companies Act by adopting the following special resolution:

"Resolved that the Board of Directors of the Group be and is hereby authorised in terms of Section 44(3)(a)(ii) of the Companies Act, as a general approval (which approval will be in place for a period of two years from the date of adoption of this special resolution number 2), to authorise the Group to provide any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to such terms in Section 44(1) of the Companies Act) that the Board of the Company may deem fit to any related or inter-related Company or corporation of the Group ("related" and "inter-related" will herein have the meanings attributed to those terms in Section 2 of the Companies Act), on the terms and conditions and for the amounts that the Board may determine."

Effect of special resolution number 2

The effect of special resolution number 2 is that the Board will, *inter alia*, be authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

1.3 Special resolution number 3: Financial assistance to Directors and Prescribed Officers

Reason and effect of special resolution number 3

In terms of the Act, the Company is required to obtain shareholders' approval by way of a special resolution to provide financial assistance to Directors and Prescribed Officers of the Company (as contemplated in Section 45 of the Act).

The Board is required in terms of Section 45 of the Act to adopt a resolution for the giving of such financial assistance but may not do so unless, the Board is satisfied that:

In terms of, and pursuant to, the provisions of Sections 44 and 45 of the Companies Act, the Directors of the Company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolutions number 2 and 3 above:

- immediately after providing the financial assistance, the Group would satisfy the solvency and liquidity test as contemplated in Section 4 of the Act;

- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Group; and
- any conditions or restrictions in respect of the granting of financial assistance set out in the Company's MOI has been satisfied; and
- written notice of any such resolution by the Board shall be given to all shareholders of the Group and any trade union representing its employees:
 - ~ within 10 business days after the Board adopts the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous financial assistance during the financial year, exceeds 0.1% of the Group's net worth at the time of the resolution; or
 - ~ within 30 business days after the end of the financial year, in any other case.

Accordingly, it is proposed that shareholders consider and, if deemed for, to pass, the following special resolution:

"Resolved, that the Board of Directors of the Group be and is hereby authorised in terms of Sections 45(3) (b)(i) and (ii) of the Act as a general approval (which approval will be in place for a period of two years from the date of adoption of this special resolution number 3), to authorise the Group to provide any direct or indirect financial assistance (financial assistance will herein have the meaning attributed to such term in Section 45(1) of the Act) that the Board of the Company may deem fit to any Director or Prescribed Officer (Director and Prescribed Officer will herein have the meanings attributed to those terms in Section 45 (2) of the Act, that the Board may fit to any Director or Prescribed Officer of the Group, on the terms and conditions and for the amounts that the Board may determine" .

Effect of special resolution number 3

The effect of special resolution number 3 is that the Board will, *inter alia*, be authorised to grant loans to Directors and or Prescribed Officers of the Company.

1.4 Special resolution number 4: Share repurchases by the Company and its subsidiaries

The reason for and effect of special resolution number 4 is to grant the Directors a general authority in terms of its MOI and the Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 3.

The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority. In terms of Section 48(2) (b)(i) of the Companies Act, subsidiaries may not hold more than 10% in aggregate, of the number of the issued shares of a Company. For the avoidance of doubt, a pro rata repurchase by the Company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Companies Act.

"Resolved, as a special resolution, that the Company and the subsidiaries of the Company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of Sections 46 and 48 of the Companies Act, the MOI of the Company and the Listings Requirements, including, inter alia, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- this general authority shall only be valid until the next AGM of the Company, provided that it shall not extend beyond 15 months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20% in the aggregate in any one financial year of the Company's issued share capital at the time the authority is granted;
- a resolution has been passed by the Board of Directors approving the repurchase, that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Company and its subsidiaries;
- the general repurchase is authorised by the Company's MOI;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five business day period;
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company's behalf; and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the Listings Requirements."

2. Ordinary business

2.1 Re-election of directors

Contextual information

- In terms of the Company's MOI, as well as the Listings Requirements of the JSE Limited ("Listings Requirements") and the recommendations of King IV, at least one-third of the Non-executive Directors in office are required to retire by way of rotation at every AGM of the Company and, being eligible, may offer themselves for re-election as Directors.

Accordingly, it is proposed that shareholders, by way of individual stand-alone ordinary resolutions, vote separately for the election of each of the following Non-executive and Executive Directors:

2.1.1 Ordinary resolution number 1: Re-election of Mr Pengfei Li as Non-executive Director

"Resolved that **Mr Pengfei Li** reretires by rotation in terms of the MOI of the Company, and being eligible and offering himself for re-election, be and is hereby re-elected as Non-executive Director."

An abbreviated curriculum vitae in respect of **Mr Pengfei Li** may be viewed on page 32 of this IR, and of which this notice forms part.

Notice of Annual General Meeting continued

2.1.2 Ordinary resolution number 2: Re-election of Ms Dawn Nonceba Merle Mokhobo as independent Non-executive Director

Resolved that **Ms Dawn Nonceba Merle Mokhobo** who retires by rotation in terms of the MOI of the Company, and being eligible and offering herself for re-election, be and is hereby re-elected as independent Non-executive Director."

An abbreviated curriculum vitae in respect of **Ms Dawn Nonceba Merle Mokhobo** may be viewed on page 32 of this IR, and of which this notice forms part.

2.2 Confirmation of appointment of auditor

Contextual information

- SizweNtsalubaGobodo-Grant Thornton (SNG-GT) is an accredited auditor appearing as such on the list of Accredited Auditors of the JSE Limited ("JSE") and is registered with the Independent Regulatory Board for Auditors ("IRBA").
- Muhammad Joosub is a registered auditor and partner with SNG-GT and is registered with IRBA and accredited with the JSE. In terms of the prescribed auditor rotation requirements, he is eligible to serve as the individual auditor to lead the Group's audit.
- Both SNG-GT and Muhammad Joosub qualify for appointment as the Group's external auditor in terms of prescribed legislation and applicable ethical codes.

Accordingly, on the recommendation of the Audit and Risk Committee, it is proposed that shareholders pass the following ordinary resolution as contemplated in Section 90 of the Companies Act:

Ordinary resolution number 3: Confirmation of the appointment of the auditor

"Resolved that SNG-GT be and is hereby appointed as independent auditors of the Company for the ensuing year on the recommendation of the Audit and Risk Committee with the designated auditor being Mr. Muhamed Joosub".

2.3 Auditor's remuneration

2.3.1 Ordinary resolution number 4: Confirmation of the auditor's remuneration

"Resolved that the auditor's remuneration for the year ended 31 December 2020 as determined by the Audit and Risk Committee of the Company be, and is hereby, confirmed."

The reason for ordinary resolution number 4 is that the remuneration of the auditor be considered at the AGM of the Company.

2.4 Appointment of the members of the Audit and Risk Committee of the Company

Contextual information

- For the avoidance of doubt, all references to the Audit and Risk Committee of the Company is a reference to the Audit Committee as contemplated in Section 94 of the Companies Act.
- In terms of Section 94 of the Companies Act, read with the recommendations as set out in King IV and the rules of the JSE Listings Requirements in this regard, every public-listed company must, at each AGM, appoint an Audit and Risk Committee, comprising of at least three independent Non-executive Directors who, as a collective body, must be suitably qualified, skilled, and experienced to fulfil the obligations of an Audit and Risk Committee as set out in the Companies Act.
- The independence of the undermentioned Non-executive Directors has been assessed and in each instance, the Director's independence was found to be undiminished, uncompromised, and untainted.
- The Board is satisfied that the undermentioned Directors collectively possess the appropriate qualifications, skills, and experience to fulfil their Audit and Risk Committee obligations as set out in Regulation 42 of the Companies Regulations 2011.

Accordingly, the Board proposes that shareholders adopt the below stand-alone resolutions for the election of each of the following Directors:

2.4.1 Ordinary resolution number 5: Re-appointment of Mr Victor Thembinkosi Mabuza to the Audit and Risk Committee of the Company

"Resolved that Mr Victor Thembinkosi Mabuza being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the Company with effect from the conclusion of this AGM in terms of Section 94(2) of the Companies Act".

An abbreviated curriculum vita in respect of **Mr Victor Thembinkosi Mabuza** may be viewed on page 33 of this IR, of which this notice forms part.

2.4.2 Ordinary resolution number 6: Re-appointment of Ms Dawn Merle Nonceba Mokhobo to the Audit and Risk Committee of the Company

"Resolved that **Ms Dawn Merle Nonceba Mokhobo**, being the Chair of the Board, is hereby re-appointed as a member of the Audit and Risk Committee of the Company, with effect from the conclusion of this AGM in terms of Section 94(2) of the Companies Act."

An abbreviated curriculum vita in respect of **Ms Dawn Merle Nonceba Mokhobo** may be viewed on page 32 of this IR and of which this notice forms part.

2.4.3 Ordinary resolution number 7: Re-appointment of Mr Vumile Lincoln Ngculu to the Audit and Risk Committee of the Company

"Resolved that **Mr Lincoln Vumile Ngculu**, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the Company, with effect from the conclusion of this AGM in terms of Section 94(2) of the Companies Act."

An Abbreviated *curriculum vitae* in respect of **Mr Lincoln Vumile Ngculu** may be viewed on page 33 of this IR, and of which this notice forms part.

Effect of ordinary resolution numbers 5 to 7 (inclusive)

The effect of the abovementioned ordinary resolutions is that shareholders will have elected the required number, as well as suitably qualified, skilled, and experienced Directors to serve as members of the Group's Audit and Risk Committee.

2.5 General authority to issue shares for cash

Contextual Information

- The reason for the ordinary resolution proposed below, is that in terms of the JSE Listings Requirements and the Company's MOI, the prior approval of shareholders must be sought to issue any shares for cash.
- The proposed general authority will enable the Directors to issue shares for cash, subject to the provisions of the JSE Listings Requirements, the Companies Act and the Company's MOI.
- The general authority shall be valid until the date of the next AGM of the Company or fifteen (15) months from the date of this resolution, whichever period is shorter.

Accordingly, the Board proposes that shareholders adopt the following ordinary resolution:

2.5.1 Ordinary resolution number 8: General authority to issue shares for cash

"Resolved that, subject to the adoption of ordinary resolution number 9, the Directors of the Company be, and are hereby authorised by way of a general authority, to allot and issue 244 174 058 unissued shares for cash as they in their discretion may deem fit, subject to the provisions of the JSE Listings Requirements, the Companies Act and the Company's MOI and subject to the provision that the aggregate number of authorise but unissued ordinary shares to be allotted and issued in terms of this resolution, shall be limited to 15% of the issued share capital (excluding treasury shares) of the Company as provided for and considering:

- The approval shall be valid until the date of the next AGM of the Company or fifteen (15) months from the date of this resolution, whichever period is shorter;
- A SENS announcement providing full details, including the number of securities issued, the average discount to the 30-day VWAP and in the respect of options impacts on net asset value per share, net tangible asset value per share, earnings per share, headline earnings per share and, if applicable, diluted earnings and headline earnings per share, will be published after any issue representing, on a cumulative basis within any one (1) financial year, five percent (5%) or more of the number of shares in issue prior to such issue;
- The general issue of shares for cash, in the aggregate, in any one (1) financial year may not exceed fifteen percent (15%) of the Company's issued share capital (excluding treasury shares) of that class. For purposes of determining the aforementioned 15%, the securities of a particular class will be aggregated with the securities that are compulsorily convertible into securities of that class and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible. The number of securities of a class which may be issued shall be based on the number of securities of that class in issue at the date of such application less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included

Notice of Annual General Meeting *continued*

as though they were securities in issue at the date of application;

- In determining the price at which an issue of shares will be made in terms of this general authority, the maximum discount permitted is ten percent (10%) of the weighted average traded price of such shares, as determined over the 30 trading days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE should be consulted for a ruling if the securities have not traded in such 30 business day period;
- Any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not to related parties; and
- Any such issue will only be securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue."

2.6 Authorise Directors and/or the Company Secretary

Ordinary resolution number 9: Authority to action

"Resolved that any one Director of the Company and/or the Company Secretary be and is hereby authorised to do all such things and sign all such documents as deemed necessary to implement the ordinary and special resolutions as set out in this notice convening the AGM of the Company at which these resolutions will be considered."

The reason and effect for ordinary resolution number 9 is to ensure that the resolutions voted upon favourably are duly implemented through the delegation of powers provided for in terms of the Company's MOI.

2.7 Non-binding advisory votes

Contextual Information

- The King IV recommends and the JSE Listings Requirements require a listed Company to table its remuneration policy and implementation report for separate non-binding advisory votes by shareholders at the AGM. This vote enables shareholders to express their views on the remuneration policies adopted, and on their implementation.
- These resolutions are of an advisory nature only and a failure to pass either one or both of them will therefore not have any

legal consequences relating to existing remuneration agreements. Even though these resolutions are non-binding, if the remuneration policy or the implementation report, or both are voted against by 25% or more of the voting rights exercised, the Board will, as recommended by King IV and required by the JSE, take the outcome of the vote into consideration when considering amendments to the remuneration policy and implementation report.

2.7.1 Non-binding advisory vote number 1: Endorsement of the remuneration policy

Accordingly, the Board proposes that shareholders adopt the following non-binding advisory vote to indicate that they have found the key elements and guiding principles of the Company's remuneration policy and approach appropriate:

"Resolved to hereby endorse the Company's remuneration policy, as set out in the Remuneration Report on pages 68 to 71 of the IR, by way of a non-binding advisory vote."

2.7.2 Non-binding advisory vote number 2: Endorsement of the remuneration implementation report

"Resolved to endorse, by way of a non-binding advisory vote, the Company's remuneration implementation report (excluding the remuneration of the Non-executive Directors for their services as Directors and members of Board Committees) set out in pages 68 to 71 of the IR".

3. Other business

To transact such other business as may be lawfully transacted at an AGM or raised by shareholders with or without advance notice to the Company.

Directors' statement

1. The Company is not involved in any legal or arbitration proceedings, nor are any proceedings pending or threatened of which the Company is aware that may have or have had in the previous 12 months, a material effect on the Company's financial position.
2. The Directors, whose names are reflected in this IR of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted

which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts that have been made and that the notice contains all information required by the JSE Listings Requirements.

3. Other than the facts and developments reported on in the IR, there have been no material changes in the financial or trading position of the Company and its subsidiaries since the date of signature of the Audit Report up to the date of this notice.

Record date, attendance and voting

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company ("the Share Register") for purposes of being entitled to receive this notice, is Friday, 19 March 2021.
2. The date on which shareholders must be recorded in the Share Register for purposes of being entitled to attend and vote at this meeting is Friday, 30 April 2021 with the last day to trade being Monday, 26 April 2021.
3. Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak, and vote thereat in their stead. A proxy need not be a member of the Company. A form of proxy, in which the relevant instructions for its completion is set out, is enclosed for the use of a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.
4. The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the Company at the address given at the end of this report by not later than 09h00 on Thursday 6 May 2021. The Chairman of the AGM, in his/her sole discretion, may accept such forms of proxy, that the proxy is validated and registered to attend the meeting as set out in paragraph 7 that follows, before the commencement of the meeting.
5. Dematerialised shareholders, other than own-name registered dematerialised shareholders,

who wish to participate at the AGM electronically will need to request their Central Securities Depository Participant ("CSDP") or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker, and send it to 4AXR by 6 May 2021. These Shareholders will also have to follow the process in terms of Section 7 below.

6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.
7. Shareholders who wish to participate in and/or vote electronically at the AGM should contact 4AXR on wesizwe@4axregistry.co.za or on +27 011 100 8389 as soon as possible and by no later than 09h00 on Thursday, 6 May 2021. 4AXR will assist shareholders with all the requirements for electronic participation and is obliged to validate the information of each shareholder's entitlement to participate in and/or vote at the AGM before providing it with the necessary means to access the AGM electronically and/or the electronic voting platform.
8. In terms of the Companies Act, any shareholder or proxy who intends or participate at the AGM must be able to present reasonably satisfactory identification for such shareholder or proxy to attend and participate at the AGM. Shareholders will be requested to present a bar-coded identification document issued by the South African Department of Home Affairs, a driver's license or a valid passport will be accepted at the AGM as sufficient identification to 4AXR as part of the registration process to attend the meeting.

Quorum

The AGM will not begin, or a matter begin to be debated, as the case may be, unless:

- At least three shareholders are present or represented at the meeting;
- Sufficient individuals are present at the meeting to exercise at least 25% of all of the voting rights that are entitled to be exercised in respect of at least one matter on the agenda; and

Notice of Annual General Meeting *continued*

- Sufficient individuals are present at the meeting to exercise at least 25% of all of the voting rights that are entitled to be exercised in respect of any matter at the time the matter is called on the agenda.

For the meeting to continue and to consider matters on the agenda after the initial quorum has been established, sufficient shareholders entitled to vote must remain present at the AGM.

Electronic participation

Shareholders wishing to participate electronically in the AGM are required to deliver written notice to the Company Secretary with a copy to the transfer secretaries (at the addresses given in this notice), stating that they wish to participate via electronic communication at the AGM ("**the Electronic Notice**").

In order for the transfer secretaries to arrange for the shareholder (or representative) to provide reasonably satisfactory identification as set out in paragraph 8 above and in Section 63(1) of the Companies Act and to provide the shareholder (or representative) with details as to the means of participating electronically, the Electronic Notice must reach the aforementioned by no later than at 09h00 on 6 May 2021. In order for the Electronic Notice to be valid it must indicate:

- Whether the shareholder is an individual, with a certified copy of his/her identity document/card and/or passport;
- If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution (and the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication); and

- A valid e-mail address and/or facsimile number ("**the contact address/number**").

By no later than 24 hours prior to the time of the AGM, the Company shall use reasonable endeavors to notify a shareholder at his/her contact address/number and who has delivered a valid Electronic Notice, of the relevant details through which the shareholder can participate via electronic communication.

Shareholders will merely be able to participate, but not vote, via electronic communication and the costs of accessing any means of electronic participation provided by the Company shall be borne by the shareholder accessing electronic participation.

The Company reserves the right not to provide for electronic participation at the AGM in the event that it determines that it is not practical to do so.

By order of the Board



V Mhlongo
Company Secretary

30 March 2021

Form of proxy

WESIZWE PLATINUM LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2003/020161/06)

Share Code: WEZ ISIN: ZAE000075859

("Wesizwe" or "the Company" or "the Group")

FORM OF PROXY – for use by certificated and "own name" dematerialised shareholders only at the Annual General Meeting of shareholders to be held via Video Conference on Friday, 7 May 2021 ("the Annual General Meeting").

I/We (please print name in full) _____

of (address) _____

being a shareholder/s of Wesizwe Platinum Limited, holding shares in the Company hereby appoint:

1. _____ or, failing him/her,
2. _____ or, failing him/her,
3. _____ or failing him/her,

4. the Chair of the Annual General Meeting,

as my proxy to vote for me/us and on my/our behalf at the Annual General Meeting and at any adjournment thereof and to speak and act for me/us and, on a poll or a show of hands, vote on my/our behalf.

My/our proxy shall vote as follows:

	Number of shares		
	In favour of	Against	Abstain
To consider the presentation of the AFS for the year ended 31 December 2020			
Special resolution number 1: Remuneration of Non-executive Directors			
Special resolution number 2: Financial assistance to related and inter-related companies			
Special resolution number 3: Financial assistance to Directors and Prescribed Officers			
Special resolution number 4: Share repurchases by the Company and its subsidiaries			
Ordinary resolution number 1: To re-elect Mr Pengfei Li as Non-executive Director			
Ordinary resolution number 2: To re-elect Ms Dawn Merle Nonceba Mokhobo as an independent Non-executive Director			
Ordinary resolution number 3: Confirmation of the appointment of the auditor			
Ordinary resolution number 4: Confirmation of the auditor's remuneration			
Ordinary resolution number 5: Re-appointment of Mr Victor Thembinkosi Mabuza to the Audit and Risk Committee			
Ordinary resolution number 6: Re-appointment of Ms Dawn Merle Nonceba Mokhobo to the Audit and Risk Committee			
Ordinary resolution number 7: Re-appointment of Mr Vumile Lincoln Ngculu to the Audit and Risk Committee			
Ordinary resolution number 8: General authority to issue shares for cash			
Ordinary resolution number 9: Authority to action			
Non-binding advisory vote number 1: Endorsement of the remuneration policy			
Non-binding advisory vote number 2: Endorsement of the remuneration implementation report			

(Indicate instruction to proxy by way of a cross in the space provided above).

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed this _____ day of _____ 2021

Signature _____

Please read the notes on the reverse side hereof.

Notes

1. In terms of section 58 of the Companies Act, 2008, as amended ("**the Companies Act**"):
 - A shareholder may, at any time and in accordance with the provisions of Section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder.
 - A proxy may delegate his or her authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.
 - Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder (see note 7).
 - Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.
 - If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by:
 - cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - delivering a copy of the revocation instrument to the proxy and to the Company.
 - A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising any voting right of such shareholder without direction, except to the extent that the Company's MOI, or the instrument appointing the proxy, provides otherwise (see note 4).
2. This form of proxy should only be used by certificated shareholders or shareholders who have dematerialised their shares with own name registration.
3. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting "the Chairman of the AGM", but any such deletion must be initialed by the shareholder. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to those whose names follow.
4. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deemed fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
5. Dematerialised shareholders who wish to attend the AGM or to vote by way of proxy, must contact their CSDP or broker who will furnish them with the necessary authority to attend the AGM or to be represented thereat by proxy. This must be done in terms of the agreement between the member and his/her CSDP or broker.
6. Forms of proxy must be lodged at the Company's transfer secretaries, 4 Africa Exchange Registry (4AXR) at 4th Floor, Building A, Hill on Empire, 16 Empire Road, Parktown or by email at wesizwe@4axregistry.co.za, so as to be received by not later than 09:00 on 5 May 2021.
7. The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the AGM and speaking and voting online during the meeting to the exclusion of any proxy appointed in terms hereof.
8. Documentary evidence establishing the authority of the person signing this form of proxy in a representative or other legal capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries of the Company or waived by the Chairman of the AGM.
9. Any alteration or correction made to this form of proxy must be initialed by the signatory/ies.
10. The Chairman shall be entitled to reject the authority of a person signing the form of proxy:
 - 10.1 under a Power of Attorney, or
 - 10.2 on behalf of a company
 unless that person's Power of Attorney or authority is deposited at the registered office of the transfer secretaries of the Company not less than 48 hours before the AGM.
11. Where shares are held jointly, all joint holders are required to sign the form of proxy.
12. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
13. Every shareholder present in person or represented by proxy shall have one vote for every share held by such shareholder.
14. A vote given in accordance with this form of proxy shall be valid, notwithstanding the previous legal incapacity of the principal or revocation of this form of proxy or the transfer of the shares in respect of which the vote is given, unless an intimation in writing of such legal incapacity or transfer shall have been lodged with the transfer secretaries (at the address given in paragraph 6), to reach them by no later than at 09h00 on Wednesday, 5 May 2021.

ANNEXURES

Sustainability Limited Assurance Report	130
GRI G4 content index	133
Abbreviations and acronyms	138
Administration	ibc

Sustainability Limited Assurance Report

INDEPENDENT ASSURANCE PRACTITIONER'S LIMITED ASSURANCE REPORT ON SELECTED KEY PERFORMANCE INDICATORS TO THE DIRECTORS OF WESIZWE PLATINUM LIMITED

Report on Selected Key Performance Indicators

We have undertaken a limited assurance engagement on selected key performance indicators (KPIs), as described below, and presented in the 2020 Integrated Annual Report of Wesizwe Platinum Limited (Wesizwe) for the year ended 31 December 2020 (the Report). This engagement was conducted by a team of assurance specialists with relevant experience in Sustainability Reporting assurance.

Subject matter

We have been engaged to provide a limited assurance conclusion in our report on the following selected KPIs. The selected KPIs described below have been prepared in accordance with Wesizwe's reporting criteria and the scope of coverage includes all of Wesizwe's operations for the 2020 financial year.

Category	Selected KPIs
Environmental	<ul style="list-style-type: none">• Scope 2 CO₂ emissions• Electricity used• Water used for primary and non-primary activities• Total waste recycled and disposed to hazardous landfill site
Social Economic	<ul style="list-style-type: none">• Rand value spent on approved SLP LED projects (Project as stipulated IR)• Number of complaints reported
Safety	<ul style="list-style-type: none">• Employee and contractor Lost Time Injury Frequency Rate (LTIFR)• Fatality free shift• Total injuries• Medical Treatment Cases• Serious Injury Frequency Rate (SIFR)• Lost Time Injuries
Health and Wellness	<ul style="list-style-type: none">• Number of new Noise-Induced Hearing Loss (NIHL) cases diagnosed• HCT – total number of test performed (employee and contractors)• Tuberculosis (TB): number of employees and contractors who tested positive (TB reported cases)
Human Resources (Inc. HRD)	<ul style="list-style-type: none">• Total number of employees (permanent and non-permanent) by race, gender, job grade as per EE Act, Mining Charter Employment Equity requirements.• Number of people who attended Core Business training• Total number of contractors by race and gender• Number of people who attended portable skills training• Number of Bursars – external• Rand value spent on approved/committed training as per SLP

Directors' responsibilities

The Directors are responsible for the selection, preparation, and presentation of the selected KPIs in accordance with Wesizwe's reporting criteria. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. The Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected KPIs and for ensuring that those criteria are publicly available to the Report users.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matters and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practice on which to draw allows for the selection of certain different but acceptable measurement techniques.

Further, because of the test nature and other inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some, even material, misstatements may not be detected, even though the audit is properly planned and performed in accordance with the International Standard on Assurance Engagements, (ISAE) 3000 (revised). Where the information relies on the factors derived by the independent third parties, our assurance work would not include an examination of the derivation of those factors and other third-party information.

Our independence and quality control

We have complied with the independence and all other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

SNG Grant Thornton applies the International Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion on the selected KPIs based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our engagement to obtain limited assurance about whether the selected KPIs are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of Wesizwe's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed

risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the Integrated Reporting process.
- Inspected documentation to corroborate the statements of management and senior executives in our interviews.
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected KPIs.
- Performed a controls walkthrough of identified key controls.
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria.
- Evaluated the reasonableness and appropriateness of significant estimates and judgments made by the directors in the preparation of the selected KPIs; and
- Evaluated whether the selected KPIs presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at Wesizwe.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Wesizwe's selected KPIs have been prepared, in all material respects, in accordance with the accompanying Wesizwe reporting criteria.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, *subject to the inherent limitations outlined elsewhere in this report*, nothing has come to our attention that causes us to believe that the selected KPIs as set out in the Subject Matter paragraph above for the year ended 31 December 2020 are not prepared, in all material respects, in accordance with the reporting criteria.

Sustainability Limited Assurance Report *continued*

Other matters

The information relating to the prior reporting periods has not been subject to assurance procedures in the current year.

Our report includes the provision of limited assurance on; Electricity used, Total waste recycled and disposed to hazardous landfill site, Number of complaints reported, Number of new Noise-Induced Hearing Loss (NIHL) cases diagnosed, HIV – total number of test performed (employee and contractors) and Tuberculosis (TB); number of employees and contractors who tested positive (TB reported cases), Serious Injuries Frequency Rate (SIFR), Medical Treatment Cases and Lost Time Injuries. We were previously not required to provide assurance on these selected KPIs.

The maintenance and integrity of Wesizwe's website is the responsibility of Wesizwe management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may have occurred since the initial date of its presentation on Wesizwe's website.

Restriction of liability

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected KPIs to the Directors of Wesizwe in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than Wesizwe, for our work, for this report, or for the conclusion we have reached.



Omar Kadwa CA(SA)

SizweNtsalubaGobodo Grant Thornton
Director

Registered Auditor

23 March 2021

20 Morris Street East, Woodmead, 2191

GRI G4 content index

GRI 102: GENERAL DISCLOSURES		
Disclosure number	Section	IR page number
1. ORGANISATIONAL PROFILE		
102-1	Name of the organisation	2
102-2	Activities, brands, products, and services	4
102-3	Location of headquarters	inside back cover
102-4	Location of operations	9
102-5	Ownership and legal form	17, 100-101
102-6	Markets served	4
102-7	Scale of the organisation	17, 65
102-8	Information on employees and other workers	63-67
102-9	Supply chain	37-38
102-10	Significant changes to the organisation and its supply chain	n/a
102-11	Precautionary Principle or approach	20
102-12	External initiatives	2-3
102-13	Membership of associations	2
2. STRATEGY		
102-14	Statement from senior decision-maker	10, 28-29, 30-31
102-15	Key impacts, risks, and opportunities	6-8, 21-24
3. ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behaviour	16-17, 26, 77-78
102-17	Mechanisms for advice and concerns about ethics	26, 77
102-18	Governance structure	75
102-19	Delegating authority	78, 80-81
102-20	Executive-level responsibility for economic, environmental, and social topics	20, 54-57
102-21	Consulting stakeholders on economic, environmental, and social topics	54-57
102-22	Composition of the highest governance body and its committees	79-80
102-23	Chair of the highest governance body	79
102-24	Nominating and selecting the highest governance body	79
102-25	Conflicts of interest	78
102-26	Role of highest governance body in setting, purpose, values, and strategy	76-79
102-27	Collective knowledge of highest governance body	77
102-28	Evaluating the highest governance body's performance	78-79
102-29	Identifying and managing economic, environmental, and social impacts	76-78
102-30	Effectiveness of risk management processes	21-24, 85
102-31	Review of economic, environmental, and social topics	20, 80-81
102-32	Highest governance body's role in sustainability reporting	80-81
102-33	Communicating critical concerns	88
102-34	Nature and total number of critical concerns	76-79
102-35	Remuneration policies	68-71
102-36	Process for determining remuneration	68-71
102-37	Stakeholders' involvement in remuneration	68-71
102-38	Annual total compensation ratio	Not calculated
102-39	Percentage increase in annual total compensation ratio	Not calculated

GRI G4 content index continued

Disclosure number	Section	IR page number
5. STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	55-56
102-41	Collective bargaining agreements	67
102-42	Identifying and selecting stakeholders	54
102-43	Approach to stakeholder engagement	54
102-44	Key topics and concerns raised	62
6. REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	94
102-46	Defining report content and topic Boundaries	3
102-47	List of material topics	10
102-48	Restatements of information	n/a
102-49	Changes in reporting	None
102-50	Reporting period	2
102-51	Date of most recent report	2
102-52	Reporting cycle	2
102-53	Contact point for questions regarding the report	125
102-54	Claims of reporting in accordance with the GRI Standards	2
102-55	GRI content index	117-121
102-56	External assurance	3
GRI 103: MANAGEMENT APPROACH		
103-1	Explanation of the material topic and its Boundary	10
103-2	The management approach and its components	10
103-3	Evaluation of the management approach	35-88
GRI 201: ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	39
201-2	Financial implications and other risks and opportunities due to climate change	None
201-3	Defined benefit plan obligations and other retirement plans	69
201-4	Financial assistance received from government	57
GRI 202: MARKET PRESENCE		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not calculated
202-2	Proportion of senior management hired from the local community	None
GRI 203: INDIRECT ECONOMIC IMPACT		
203-1	Infrastructure investments and services supported	56-62
203-2	Significant indirect economic impacts	56-62
GRI 204: PROCUREMENT PRACTICES		
204-1	Proportion of spending on local suppliers	38
GRI 205: ANTI-CORRUPTION		
205-1	Operations assessed for risks related to corruption	77-78
205-2	Communication and training about anti-corruption policies and procedures	77-78
205-3	Confirmed incidents of corruption and actions taken	77-78
GRI 206: ANTI-COMPETITIVE BEHAVIOUR		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	n/a

Disclosure number	Section	IR page number
GRI 301: MATERIALS		
301-1	Materials used by weight or volume	49-53
301-2	Recycled input materials used	49-53
301-3	Reclaimed products and their packaging materials	49-53
GRI 302: ENERGY		
302-1	Energy consumption within the organisation	49
302-2	Energy consumption outside of the organisation	49
302-3	Energy intensity	49
302-4	Reduction of energy consumption	49
302-5	Reductions in energy requirements of products and services	49
GRI 303: WATER AND EFFLUENTS		
303-1	Interactions with water as a shared resource	49-50
303-2	Management of water discharge-related impacts	49-50
303-3	Water withdrawal	49-50
303-4	Water discharge	49-50
303-5	Water consumption	49-50
GRI 304: BIODIVERSITY		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	50-52
304-2	Significant impacts of activities, products, and services on biodiversity	50-52
304-3	Habitats protected or restored	50-52
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	50-52
GRI 305: EMISSIONS		
305-1	Direct (Scope 1) GHG emissions	51
305-2	Energy indirect (Scope 2) GHG emissions	51
305-3	Other indirect (Scope 3) GHG emissions	51
305-4	GHG emissions intensity	51
305-5	Reduction of GHG emissions	51
305-6	Emissions of ozone-depleting substances (ODS)	51
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	51
GRI 306: EFFLUENTS AND WASTE		
306-1	Water discharge by quality and destination	51-52
306-2	Waste by type and disposal method	52
306-3	Significant spills	55
306-4	Transport of hazardous waste	52
306-5	Water bodies affected by water discharges and/or runoff	51-52
GRI 307: ENVIRONMENTAL COMPLIANCE		
307-1	Non-compliance with environmental laws and regulations	52
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT		
308-1	New suppliers that were screened using environmental criteria	50-51
308-2	Negative environmental impacts in the supply chain and actions taken	50-52

GRI G4 content index *continued*

Disclosure number	Section	IR page number
GRI 401: EMPLOYMENT		
401-1	New employee hires and employee turnover	66
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	66
401-3	Parental leave	66
GRI 402: LABOUR/MANAGEMENT RELATIONS		
402-1	Minimum notice periods regarding operational changes	67
GRI 403: OCCUPATIONAL HEALTH AND SAFETY		
403-1	Occupational health and safety management system	47
403-2	Hazard identification, risk assessment, and incident investigation	47
403-3	Occupational health services	47
403-4	Worker participation, consultation, and communication on occupational health and safety	47
403-5	Worker training on occupational health and safety	47
403-6	Promotion of worker health	47-48
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	47-48
403-8	Workers covered by an occupational health and safety management system	47
403-9	Work-related injuries	47
403-10	Work-related ill health	47
GRI 404: TRAINING AND EDUCATION		
404-1	Average hours of training per year per employee	73-74
404-2	Programs for upgrading employee skills and transition assistance programs	73-74
404-3	Percentage of employees receiving regular performance and career development reviews	73-74
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
405-1	Diversity of governance bodies and employees	73
405-2	Ratio of basic salary and remuneration of women to men	73
GRI 406: NON-DISCRIMINATION		
406-1	Incidents of discrimination and corrective actions taken	73
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	67
GRI 408: CHILD LABOUR		
408-1	Operations and suppliers at significant risk for incidents of child labor	67
GRI 409: FORCED OR COMPULSORY LABOUR		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	73
GRI 410: SECURITY PRACTICES		
410-1	Security personnel trained in human rights policies or procedures	Outsourced Service
GRI 411: RIGHTS OF INDIGENOUS PEOPLES		
411-1	Incidents of violations involving rights of indigenous peoples	None occurred
GRI 412: HUMAN RIGHTS ASSESSMENT		
412-1	Operations that have been subject to human rights reviews or impact assessments	73
412-2	Employee training on human rights policies or procedures	73-74
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	n/a

Disclosure number	Section	IR page number
GRI 413: LOCAL COMMUNITIES		
413-1	Operations with local community engagement, impact assessments, and development programs	54-62
413-2	Operations with significant actual and potential negative impacts on local communities	None experienced
GRI 414: SUPPLIER SOCIAL ASSESSMENT		
414-11	New suppliers that were screened using social criteria	37-38
414-12	Negative social impacts in the supply chain and actions taken	None exists
GRI 415: PUBLIC POLICY		
415-1	Political contributions	None
GRI 416: CUSTOMER HEALTH AND SAFETY		
416-1	Assessment of the health and safety impacts of product and service categories	n/a
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	n/a
GRI 417: MARKETING AND LABELING		
417-1	Requirements for product and service information and labeling	n/a
417-2	Incidents of non-compliance concerning product and service information and labeling	n/a
417-3	Incidents of non-compliance concerning marketing communications	n/a
GRI 418: CUSTOMER PRIVACY		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	n/a
GRI 419: SOCIOECONOMIC COMPLIANCE		
419-1	Non-compliance with laws and regulations in the social and economic area	None

Abbreviations and acronyms

4E	The four elements: Platinum, Palladium, Rhodium and Gold
ABET	Adult basic education and training
AET	Adult education and training
AFS	Annual Financial Statements
AGM	Annual General Meeting
ANC	African National Congress
Au	Gold
BBBEE	Broad-based black economic empowerment
BEE	Black Economic Empowerment
BFS	Bankable Feasibility Study
BGE	Basic grade equation
BPM	Bakubung Platinum Mine
BRPM	Bafokeng Rasimone Platinum Mine
CADFund	China Africa Development Fund
CAJIL	China Africa Jinchuan Investments Limited
Capex	Capital expenditure
CC5C	Flat Development Contractor
CCMA	Commission for Conciliation, Mediation and Arbitration
CDB	China Development Bank
CEO	Chief Executive Officer
CIPC	Companies and Intellectual Properties Commission
Co	Cobalt
COL	Cost of living
COGTA	Cooperative Governance Traditional Affairs
Cr	Chromium
CSDP	Central Securities Depository Participant
Cu	Copper
DBP	Deferred bonus plan
DEFRA	Department for Environmental, Food and Rural Affairs, UK
DMR	Department of Mineral Resources
EE	Employment equity
EEA	Employment Equity Act
EIA	Environmental impact assessments
EMP	Environmental management plan
EMS	Environmental management system
EPC	Engineering, procurement and construction
EPCM	Engineering, procurement and construction management
ERM	Enterprise Risk Management
ESG	Environmental, Social, Governance
EVP	Employee value proposition
Exco	Executive committee
FD	Financial Director
FEE	Front-end engineering
FOG	Fall of ground

GDP	Gross domestic product
GHE	Gabonewe Housing Estate
GHG	Greenhouse gas(es)
GRI	Global Reporting Initiative
GSSB	Global Sustainability Standards Board
HDSA	Historically Disadvantaged South African/s
HIRA	Hazard Identification Risk Assessment
HIV	Human Immunodeficiency Virus
HR	Human Resources
HRD	Human Resource development
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ILO	International Labour Organisation
IoDSA	Institute of Directors Southern Africa
IR	Integrated Annual Report
IRBA	Independent Regulatory Board for Auditors
IRUPS	Ironrich ultramafic pegmatoids
ISAB	International Standard on Assurance Engagements
IT	Information technology
IWULA	Integrated Water Use License Application
Jinchuan	Jinchuan Group Co. Limited
JSE	Johannesburg Stock Exchange
KE	Kriging efficiency
KPAs	Key performance areas
KPIs	Key performance indicators
LCSAP	Lead Certified Sustainability Assurance Practitioner
LED	Local Economic Development
LHD	Load Haul Dump
LOM	Life of mine
LRA	Labour Relations Act
LTI	Lost time injury/ies
LTIFR(s)	Lost-time injury frequency rate
LTIP	Long-term incentive plan
Ni	Nickel
MCF	Mine call factor
MKLM	Moses Kotane Local Municipality
MI	Megalitres
MOI	Memorandum of incorporation
MOU	Memorandum of Understanding
Moz	Million ounces (measurement)
MPRDA	Mineral and Petroleum Resources Development Act 28 of 2002
MQA	Mines Qualification Authority
MR	Merensky Reef
MTC	Medical treatment case

Abbreviations and acronyms continued

MTPA	Millions tons per annum
NEF	National Empowerment Fund
NPV	Net Present Value
NDP	National Development Plan (South African)
NGO	Non-Governmental Organisation
NO ₂	Nitrogen dioxide
NUM	National Union of Mineworkers
OCI	Other Comprehensive Income
ODS	Ozone-depleting substances
OECD	Organisation for Economic Co-operation and Development
PAIA	Promotion of Access to Information Act
PGM	Platinum Group Metals (Which comprise mainly of Platinum, Palladium, Rhodium, Ruthenium, Osmium and Iridium.
PM10	Particulate matter less than 10 micrometres in diameter (respirable dust)
PTM	Platinum Group Metals South Africa (PTY) Ltd
PUI	Persons under investigation
RAD	Reef access drive
REMCO	Remunerations Committee (of the Board)
RIF	Reef in foot
RIH	Reef in hanging
RLS	Rustenburg layered suite
RSA	Republic of South Africa
SAICA	South African Institute of Chartered Accountants
SAMREC	South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves
SASSA	South African Social Security Agency
SEF	Stakeholder Engagement Forum
SENS	Stock Exchange News Service
SETAs	Sector Education and Training Authorities
SHE	Safety, health and environment
SLP	Social and labour plan, as required by the MPRDA
SNG	SizweNtsalubaGobodo
SNG-GT	SizweNtsalubaGobodo Grant Thornton Inc.
SO ₂	Sulphur dioxide
STI	Short-term incentives
TB	Tuberculosis
TCTC	Total cost to company
UG2	Upper Group 2
VSP	Voluntary separation package
VWAP	volume weighted average price
Wesizwe	Wesizwe Platinum Limited
WBCSD	World Business Council for Sustainable Development
WHO	World Health Organisation
WIM	Women in mining
WRI	World Resources Institute
WULA	Water use licence assessment

Administration

Wesizwe Platinum Limited

Incorporated in the Republic of South Africa
 Registration number: 2003/020161/06
 Share code: WEZ
 ISIN: ZAE000075859
www.wesizwe.co.za
 Wesizwe House
 9 Autumn Road
 Sandton, 2128
 South Africa

Legal adviser

Motalane Attorneys INC
 Registration number: 2017/223544/21
 Birchwood Court, East Wing
 43 Montrose Street
 Vorna Valley
 Midrand, 1686
 South Africa

Company Secretary and registered office

Vasta Mhlongo
 Wesizwe House
 Devcon Park
 9 Autumn Road
 Rivonia Extension 3, 2128
 South Africa

Auditors

SizweNtsalubaGobogo Grant Thornton Inc.
 Registration number: 2005/034639/21
 20 Morris Street East
 Woodmead, 2191
 South Africa

Sponsor

PSG Capital (Pty) Limited
 Registration number: 2006/015817/07
 Second Floor
 11 Alice Lane
 Sandton, 2196

 PO Box 650957
 Benmore, 2010
 South Africa

Transfer secretaries

4Africa Exchange
 Registration Number: 2016/396777/07
 Hill on Empire
 4th Floor Building A
 16 Empire Road
 Parktown, 2193
 South Africa

wesizwe
www.wesizwe.co.za

