NOTICE OF ANNUAL GENERAL MEETING

AFRICAN RAINBOW MINERALS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1933/004580/06)
JSE share code: ARI
A2X share code: ARI
ISIN: ZAE000054045
("ARM" or the "company")

Notice is hereby given that the 86th annual general meeting of shareholders of the company will, subject to any cancellation, postponement or adjournment, be held on Friday, 6 December 2019 at 14:00 South African time, in committee room 4, Sandton Convention Centre (corner of Fifth and Maude Streets), Sandton, for the following business to be transacted and to consider and, if deemed fit, approve, with or without modification, the resolutions set out below.

The record date for the purposes of section 59(1)(a) of the Companies Act, 71 of 2008 (as amended) ("the Companies Act") for shareholders to be entitled to receive the notice of annual general meeting is Friday, 18 October 2019.

The record date for the purposes of section 59(1)(b) of the Companies Act for shareholders to be recorded as such in the register maintained by the transfer secretaries of the company to be entitled to participate in and vote at the annual general meeting is Friday, 29 November 2019 (voting record date). The last day to trade in the company's shares to be recorded as a shareholder by the voting record date is Tuesday, 26 November 2019.

Presentation of financial statements

To present the annual financial statements of the group and company for the financial year ended 30 June 2019, as set out on pages 24 to 113 in the 2019 annual financial statements, including the directors', audit and risk committee and independent auditor's reports. The 2019 integrated annual report and annual financial statements are available on the company's website: **www.arm.co.za**.

Social and ethics committee report

To present the report of the social and ethics committee as set out on pages 126 to 127 in the 2019 integrated annual report in terms of regulation 43(5)(c) of the Companies Regulations, 2011 promulgated in terms of the Companies Act.

Re-election of non-executive directors

Ordinary resolutions numbers 1-4 are proposed to re-elect directors who retire by rotation as non-executive directors in line with the provisions of the company's memorandum of incorporation and who, being eligible, offer themselves for re-election. Their résumés appear on page 138 of this notice. The board of directors recommends the re-election of these directors.

Ordinary resolution number 1

– Re-election of Mr F Abbott

1. "Resolved that Mr F Abbott, who retires by rotation in terms of the company's memorandum of incorporation and who is eligible and available for re-election, be and is hereby re-elected as a director of the company."

   For this resolution to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Ordinary resolution number 2

– Re-election of Mr M Arnold

2. "Resolved that Mr M Arnold, who retires by rotation in terms of the company's memorandum of incorporation and who is eligible and available for re-election, be and is hereby re-elected as a director of the company."

   For this resolution to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Ordinary resolution number 3

– Re-election of Mr DC Noko

3. "Resolved that Mr DC Noko, who retires by rotation in terms of the company's memorandum of incorporation and who is eligible and available for re-election, be and is hereby re-elected as a director of the company."

   For this resolution to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Ordinary resolution number 4

– Re-election of Mr JC Steenkamp

4. "Resolved that Mr JC Steenkamp, who retires by rotation in terms of the company's memorandum of incorporation and who is eligible and available for re-election, be and is hereby re-elected as a director of the company."

For this resolution to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Reappointment of external auditor and appointment of designated auditor

Ordinary resolution number 5

– Reappointment of external auditor and appointment of designated auditor

Ordinary resolution number 5 is proposed to approve the reappointment of Ernst & Young Inc. as the external auditor of the company and to appoint Mr PD Grobbelaar as the person designated to act on behalf of the external auditor for the financial year ending 30 June 2020, to remain in office until the conclusion of the next annual general meeting.

5. "Resolved that the reappointment of Ernst & Young Inc. as the external auditor of the company be and is hereby approved and that Mr PD Grobbelaar be and is hereby appointed as the designated auditor for the financial year ending 30 June 2020, to remain in office until the conclusion of the next annual general meeting."

For this resolution to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Audit and risk committee members

Ordinary resolution number 6

– Election of audit and risk committee members

Ordinary resolution number 6 is proposed to elect audit and risk committee members in terms of section 94(2) of the Companies Act and the King IV Report on Corporate Governance™ for South Africa 2016 ("King IV") as more fully explained in the annexure to this notice on page 140. The résumés of those independent non-executive directors offering themselves for election as members of the audit and risk committee are included on pages 138 to 139 of this notice.

6. "Resolved that the shareholders elect, each by way of a separate vote, the following independent non-executive directors, as members of the audit and risk committee, with effect from the end of this annual general meeting:
   6.1 Mr TA Boardman (chairman)
   6.2 Dr MMM Bakane-Tuoane
   6.3 Mr AD Botha
   6.4 Mr AK Maditsi
   6.5 Dr RV Simelane"

For each of these resolutions to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Remuneration policy

Ordinary resolution number 7

– Non-binding advisory vote on the company's remuneration policy

Ordinary resolution number 7 is proposed for the purpose set out in the annexure on page 140.

7. "Resolved that the shareholders hereby endorse, by way of a non-binding advisory vote, the company's remuneration policy, as set out on pages 109 to 116."

Should 25% or more of the votes cast on this resolution be against this ordinary resolution, the company undertakes to engage with shareholders on the reasons for that outcome, and to appropriately address legitimate and reasonable objections and concerns raised.

Remuneration implementation report

Ordinary resolution number 8

– Non-binding advisory vote on the company's remuneration implementation report

Ordinary resolution number 8 is proposed for the purpose set out in the annexure on page 140.

8. "Resolved that the shareholders hereby endorse, by way of a non-binding advisory vote, the company's remuneration implementation report, as set out on pages 117 to 125."

Should 25% or more of the votes cast on this resolution be against this ordinary resolution, the company undertakes to engage with shareholders on the reasons for that outcome, and to appropriately address legitimate and reasonable objections and concerns raised.

General authority to allot and issue shares for cash

Ordinary resolution number 9

– Placing control of authorised but unissued company shares in the hands of the board

9. "Resolved that, as a separate and additional authority from that referred to in ordinary resolution number 10, subject to compliance with the provisions of the Companies Act and the JSE Listings Requirements and in terms of article 4.2.1 of the company's memorandum of incorporation, the board, in addition to any authority it may have in terms of any of the company's share or employee incentive schemes, be and is hereby authorised, on such terms and conditions and for such purposes as the board may in its sole discretion deem fit, to allot and issue, or grant options over, the authorised but unissued shares (or securities) in the share capital of the company representing not more than 5% (five percent) of the number of shares in the issued share capital of the company as at the date of this notice of annual general meeting, such authority to remain in force until the earlier of the next annual general meeting or for 15 (fifteen) months from the date on which this resolution is passed."

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For this resolution to be approved, the support of a majority of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Reason for and effect of ordinary resolution number 9

The reason for and effect of ordinary resolution number 9 is to seek a general authority and approval for the board to allot and issue, or grant options over, the authorised but unissued shares (or securities) in the share capital of the company, up to 5% (five percent) of the number of shares in the issued share capital of the company as at the date of this notice of annual general meeting, to enable the company to take advantage of business opportunities that might arise.

Ordinary resolution number 10

General authority to issue shares for cash

10. "Resolved, as a separate and additional authority from that referred to in ordinary resolution number 9, that the board be and is hereby authorised as a general authority to allot and issue the authorised but unissued shares in the share capital of the company (including the grant or issue of options or convertible securities that are convertible into an existing class of equity securities) for cash on a non-pro rata basis on such terms and conditions as the board may, from time to time in its sole discretion, deem fit subject to the Companies Act and the JSE Listings Requirements, provided that:

    (a) the equity securities that are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;

    (b) the equity securities must be issued to public shareholders, as defined in the JSE Listings Requirements, and not to related parties;

    (c) securities that are the subject of general issues for cash in the aggregate may not exceed 5% (five percent) of the company's shares in issue as at the date of this notice of annual general meeting, excluding treasury shares – the number of shares available for issue for cash will therefore be limited to 10 464 550;

    (d) this authority will be valid until the company's next annual general meeting or for 15 (fifteen) months from the date on which this resolution is passed, whichever period is shorter, subject to the requirements of the JSE and any other restrictions set out in this authority;

    (e) the calculation of the company's listed equity securities must be a factual assessment of such securities as at the date of this notice of annual general meeting, excluding treasury shares;

    (f) any equity securities issued under this authority for cash during the period contemplated in (d) will be deducted from the number set out in (c);

    (g) in the event of sub-division or consolidation of issued equity securities during the period contemplated in (d), the existing authority will be adjusted accordingly to represent the same allocation ratio; and

    (h) the maximum discount at which equity securities may be issued is 10% (ten percent) of the weighted average traded price of such equity securities measured over the 30 (thirty) business 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 will be consulted for a ruling if the company's securities have not traded in such 30 (thirty) business day period."

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Reason for and effect of ordinary resolution number 10

The reason for and effect of ordinary resolution number 10 is that the board considers it advantageous to have the authority to issue authorised but unissued shares in the share capital of the company (including the grant or issue of options or convertible securities that are convertible into an existing class of equity securities) for cash on a non-pro rata basis to enable the company to take advantage of any business opportunity that might arise.

At present, the board has no specific intention to use this authority, and it will only be used if circumstances are appropriate.

Remuneration of non-executive directors

Special resolution numbers 1 and 2 are proposed to ensure that non-executive directors' fees attract and retain non-executive directors of the required calibre.

Special resolution number 1

11. "Resolved that, with effect from 1 July 2019, the company be and is hereby authorised, each by way of a separate vote, to pay its non-executive directors:

    11.1 the annual retainer fees, quarterly or as otherwise determined by the board, which will be pro-rated for periods of less than a full year; and

    11.2 the fees for attending board meetings, in each case as listed in the table below, and that these resolutions will be deemed to supersede and replace all prior authorising resolutions in relation to the remuneration contemplated herein and will continue to apply until the earlier of i) the second anniversary of the passing of this resolution and ii) the effective date of any further special resolution approved by shareholders which supersedes these resolutions:

	Proposed fees with effect from 1 July 2019 (excluding VAT) (Rand)*		Fees effective 1 July 2018 (excluding VAT) (Rand)	
	Annual	Per meeting	Annual	Per meeting
Lead independent non-executive director	**565 700**	**21 600**	533 700	20 400
Independent non-executive directors	**451 350**	**21 600**	425 800	20 400
Non-executive directors	**451 350**	**21 600**	425 800	20 400

* *Effective 1 July 2019, should the fees be approved by shareholders at the annual general meeting."*

For this resolution to be approved, the support of at least 75% of votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Reason for and effect of special resolution number 1

The reason for and effect of special resolution number 1 is to approve the payment of fees to non-executive directors for services rendered in their capacity as directors (which includes any attendance at a committee meeting, at the direction of the board, where the non-executive director is not a member of the committee), and to ensure that non-executive directors' fees attract and retain non-executive directors of the required calibre. The fees reflected above exclude value-added tax (VAT), if any. This resolution, if approved, will from 1 July 2019 supersede and replace the corresponding resolution passed at the annual general meeting in December 2018.

Special resolution number 2

– Committee meeting attendance fees

12. "Resolved that, with effect from 1 July 2019, the company be and is hereby authorised to pay, quarterly or as otherwise determined by the board, its non-executive directors for attending committee meetings (as a member of the committee) the fees per meeting listed below, and that this resolution will be deemed to supersede and replace all prior authorising resolutions in relation to the remuneration contemplated herein and will continue to apply until the earlier of i) the second anniversary of the passing of this resolution and ii) the effective date of any further special resolution approved by shareholders which supersedes this resolution:

	Per meeting attendance fees proposed with effect from 1 July 2019 (excluding VAT) (Rand)*	Per meeting attendance fees effective 1 July 2018 (excluding VAT)
Audit and risk committee		
Chairman	**112 800**	106 400
Member	**45 150**	42 600
Investment committee, nomination committee, remuneration committee and social and ethics committee		
Chairman	**55 900**	52 750
Member	**29 500**	27 850

* *Effective 1 July 2019, should the fees be approved by shareholders at the annual general meeting."*

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Reason for and effect of special resolution number 2

The reason for and effect of special resolution number 2 is to approve the payment of fees to non-executive directors for services rendered in their capacity as committee members and to ensure that the committee meeting attendance fees attract and retain non-executive directors of the required calibre. The fees reflected above exclude VAT, if any. This resolution, if approved, will from 1 July 2019 supersede and replace the corresponding resolution passed at the annual general meeting in December 2018.

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Financial assistance – for subscription for securities

In terms of the Companies Act, the board may authorise a company to provide financial assistance within the meaning of section 44(1) and (2) of the Companies Act by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of or in connection with the subscription for any option or any securities issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, provided that such assistance is approved by way of a special resolution of the shareholders approved within the previous two years and certain requirements set out in the Companies Act are met, including, inter alia, that the board is satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test. The board seeks such approval from shareholders in order to provide financial assistance to any person who is a participant in any of the company's share or employee incentive schemes, and not to any other categories of persons. The approval sought from shareholders in terms of this special resolution is therefore limited to the provision of financial assistance to persons only in relation to the company's share or employee incentive schemes.

Special resolution number 3

– Financial assistance – for subscription for securities

13. "Resolved that the provision of direct or indirect financial assistance in terms of section 44 of the Companies Act by the company to any person who is a participant in any of the company's share or employee incentive schemes, including any director or prescribed officer of the company who is a participant in any such scheme (or any person related to any of them or to any company or corporation related or inter-related to any of them who is a participant in any such scheme), for the purpose of, or in connection with, the subscription for or purchase of any securities, or options to subscribe for or purchase any securities, issued or to be issued by the company or any related or inter-related company on the terms and conditions which the board may determine, where any such financial assistance is provided in terms of any such scheme that does not satisfy the requirements of section 97 of the Companies Act, be and is hereby approved. This authority will be in place for a period of two years from the date of adoption of this resolution."

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

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Financial assistance – for related or inter-related companies

In terms of section 45 of the Companies Act, the board may authorise a company to provide direct or indirect financial assistance within the meaning of section 45(1) to any company or corporation which is related or inter-related to the company, provided that such assistance is approved by way of a special resolution of the shareholders approved within the previous two years and certain requirements set out in the Companies Act are met, inter alia, that the board is satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test. The board seeks such approval from shareholders in order to provide financial assistance to any company or corporation which is related or inter-related to the company.

Special resolution number 4

– Financial assistance – for related or inter-related companies

14. "Resolved that the provision of any direct or indirect financial assistance in terms of section 45 of the Companies Act by the company, subject to the provisions of the Companies Act and the JSE Listings Requirements, to any present or future subsidiaries of the company and/or any other company or corporation which is or becomes related or inter-related to the company (as defined in the Companies Act) and/or any juristic persons who are members of any such related or inter-related company or corporation and/or any one or more juristic persons related to any such company, corporation or member, in each case for any purpose or in connection with any matter, including in connection with the subscription for or purchase of any securities, or options to subscribe for or purchase any securities, issued or to be issued by the company or any related or inter-related company, on the terms and conditions which the board may determine be and is hereby approved. This authority will be in place for a period of two years from the date of adoption of this resolution."

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Issue of shares in connection with the company's share or employee incentive schemes

Special resolution number 5

– Issue of shares to persons listed in section 41(1) of the Companies Act in connection with the company's share or employee incentive schemes

15. "Resolved that to the extent required in terms of section 41(1) of the Companies Act, but subject to the JSE Listings Requirements and the memorandum of incorporation of the company, the board be and is hereby authorised to issue such number of authorised but unissued ordinary shares or to grant options for the allotment or subscription of authorised but unissued shares or any other rights exercisable for securities, to any eligible participants in any of the company's share or employee incentive schemes, including:
    (a) any director, future director, prescribed officer or future prescribed officer of the company;
    (b) any person related or inter-related to the company, or to a director or prescribed officer of the company; or
    (c) any nominee of a person contemplated in paragraphs (a) or (b);

    in each case, to the extent required or contemplated under the rules of the applicable share or employee incentive scheme."

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

Reason for and effect of special resolution number 5

The reason for and effect of special resolution number 5 is to ensure that ordinary shares can be issued to the persons set out in this special resolution to the extent required by any of the company's share or employee incentive schemes. Such persons may not be entitled to participate in such schemes in the absence of the authorisation contemplated in terms of this special resolution.

General authority to repurchase shares

Special resolution number 6 is proposed to authorise the board, if it deems it appropriate in the interests of the company, to instruct that the company or its subsidiaries acquire or repurchase ordinary shares issued by the company.

The board believes that the company should retain flexibility to take action if future acquisitions of its ordinary shares were considered desirable and in the best interests of the company and its shareholders.

Special resolution number 6

– General authority to repurchase shares

16. "Resolved that, subject to compliance with the JSE Listings Requirements, the Companies Act, and the memorandum of incorporation of the company, the company or any subsidiary of the company, be and is hereby authorised, by way of a general approval, to acquire ordinary shares issued by the company, provided that:
    - the number of ordinary shares so acquired in any one financial year will not exceed 5% (five percent) of the ordinary shares in issue at the date on which this resolution is passed;
    - any such acquisition will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
    - this authority will lapse on the earlier of the date of the next annual general meeting of the company or 15 (fifteen) months after the date on which this resolution is passed;

- the price paid per ordinary share may not be greater than 10% (ten percent) above the weighted average of the market value of the ordinary shares for the 5 (five) business days immediately preceding the date on which the purchase is made;
- the board has resolved that it has authorised the acquisition, that the company and its subsidiaries will satisfy the solvency and liquidity test as contained in section 4 of the Companies Act and that, since the solvency and liquidity test was performed, there have been no material changes to the financial position of the group;
- the company or its subsidiaries will not repurchase ordinary shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless there is in place a repurchase programme as contemplated in the JSE Listings Requirements where the dates and quantities of securities to be traded during the relevant prohibited period are fixed (not subject to any variation) and which has been submitted to the JSE in writing prior to the start of the prohibited period. The company will instruct an independent third party, which makes its investment decisions on the company's securities independently of, and uninfluenced by the company, prior to the start of the prohibited period to execute the repurchase programme submitted to the JSE;
- the company at any time only appoints one agent to effect any acquisition(s) on its behalf;
- an announcement with details of such acquisitions will be published as soon as the company and/or its subsidiaries, collectively, have acquired ordinary shares issued by the company constituting, in aggregate, 3% of the number of ordinary shares in the company in issue as at the date of this approval; and further announcements with details of such acquisitions will be published for each subsequent acquisition by either the company and/or by the subsidiaries, collectively, of ordinary shares issued by the company, constituting, on a cumulative basis, 3% of the number of ordinary shares in the company in issue as at the date of this approval;
- the company's subsidiaries will not be entitled to acquire ordinary shares issued by the company if the acquisition of shares will result in them holding, on a cumulative basis, more than 10% of the number of ordinary shares in issue in the company; and
- no voting rights attached to the shares acquired by the company's subsidiaries may be exercised while the shares are held by them and they remain subsidiaries of the company."

For this resolution to be approved, the support of at least 75% of the votes cast by shareholders present or represented by proxy at the annual general meeting is required.

After considering the effect of acquisitions, up to the maximum limit, of the company's issued ordinary shares in terms of special resolution number 6, the board believes that if such acquisitions were implemented:

- the consolidated assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards and with accounting policies used in the company and group annual financial statements for the year ended 30 June 2019, will exceed the consolidated liabilities of the company and group for a period of 12 (twelve) months after the date of the notice of annual general meeting;
- the company and group will be able to pay their debts as they become due in the ordinary course of business for a period of 12 (twelve) months after the date of the notice of annual general meeting;
- the issued share capital and reserves of the company and group will be adequate for their ordinary business purposes for a period of 12 (twelve) months after the date of the notice of annual general meeting; and
- the company and group will have adequate working capital for ordinary business purposes for a period of 12 (twelve) months after the date of the notice of annual general meeting.

The following additional information, some of which appears in the shareholder analysis in the annual financial statements is provided in terms of paragraph 11.26 of the JSE Listings Requirements in respect of special resolution number 6:

- Major shareholders – page 122 of the annual financial statements
- Share capital of the company – page 70 of the annual financial statements.

The directors, whose names appear on pages 94 and 95 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information relating to special resolution number 6; 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 have been made and that this resolution contains all information required by law and the JSE Listings Requirements.

At present, the board has no specific intention to use this authority, and it will thus only be used if circumstances are appropriate.

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Other than the facts and developments disclosed in the integrated annual report, there have been no material changes in the financial or trading position of the company since the date of signature of the annual financial statements for the period ended 30 June 2019 up to the date of this notice of annual general meeting.

Voting and proxies

In terms of section 63(1) of the Companies Act, any person attending or participating in the annual general meeting must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote, whether as shareholder or as proxy for a shareholder, has been reasonably verified. Acceptable forms of identification include a valid identity document, driver's licence or passport.

In terms of section 63(5) of the Companies Act, if voting is by show of hands, every person who is present at the annual general meeting, whether as shareholder or as proxy for a shareholder, and entitled to exercise voting rights, will have one vote, irrespective of the number of shares held by that shareholder.

In terms of section 63(6) of the Companies Act, if voting is by polling, every person who is present at the annual general meeting, whether as a shareholder or as a proxy for a shareholder, shall have one vote for every share held by that shareholder.

Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the annual general meeting, should they decide to do so. A summary of shareholders' rights for proxy appointments as contained in section 58 of the Companies Act is set out on page 142 *(Instructions on signing and lodging the form of proxy)*.

Electronic participation by shareholders

Should any shareholder (or proxy for a shareholder) wish to participate in the annual general meeting electronically, that shareholder (or proxy) should apply in writing (including details on how they (or their proxy) can be contacted to participate) to the transfer secretaries, at the address below, to be received by the transfer secretaries at least five business days prior to the annual general meeting for the transfer secretaries to arrange for the shareholder (or proxy) to provide reasonably satisfactory identification as per section 63(1) of the Companies Act and for the transfer secretaries to provide the shareholder (or proxy) with details on how to participate via electronic participation.

The company reserves the right to elect not to provide for electronic participation at the annual general meeting if it determines that it would not be practical. The costs of accessing any means of electronic participation provided will be borne by the company.

Please note that although shareholders are entitled to participate in the annual general meeting electronically, they will not be entitled to exercise their votes at the annual general meeting electronically. Voting at the annual general meeting will only be possible by proxy if a shareholder is unable to attend in person.

Certificated shareholders/dematerialised shareholders with own name registrations

Shareholders who have not yet dematerialised their shares with own name registrations ("entitled shareholders") (i.e. shareholders who hold their shares in certificated form) may appoint one or more proxies to attend, speak and vote or abstain from voting in their stead. This person need not be a shareholder of the company. A form of proxy is attached for the use of entitled shareholders who wish to be represented. Entitled shareholders should please complete the form in line with the instructions and deposit it at the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (or post to PO Box 61051, Marshalltown 2107, South Africa; fax to the proxy department +27 11 688 5238; or email to Proxy@computershare.co.za).

Dematerialised shareholders

Shareholders who have dematerialised their shares through a central securities depository participant (CSDP) (other than those with own name registrations) should provide their CSDP or broker with their voting instructions as per their applicable custody agreement. Should such shareholders wish to attend the annual general meeting or send a proxy to represent them, they should inform their CSDP or broker timeously and request their CSDP or broker to issue them with the necessary letter of representation to attend. These shareholders must not use the form of proxy.

By order of the board

AN D'Oyley
Company secretary

11 October 2019

RÉSUMÉS

Ordinary resolution numbers 1 – 4: election of non-executive directors

FRANK ABBOTT (64)

Independent non-executive director

Member of investment and non-executive directors' committees

BCom (University of Pretoria), CA(SA), MBL (Unisa)

Appointed to the board in 2004

Frank Abbott joined the Rand Mines Group in 1981, gaining broad financial management experience at operational level. He was a director of various listed gold-mining companies and was appointed as financial director of Harmony Gold Mining Company Limited in 1997. Frank was appointed financial director of ARM in 2004 and retired in 2009. He is now an independent non-executive director of ARM. He was appointed as the financial director of Harmony in February 2012.

MIKE ARNOLD (62)

Non-executive director

Member of investment and non-executive directors' committees

BSc eng (mining geology) (Wits), BCompt (hons) (Unisa), CA(SA)

Appointed to the board in 2009

Mike Arnold's working career started in the mining industry in 1980 as a geologist for Anglo American Corporation. He qualified as a chartered accountant in 1987. Mike joined ARM in 1999 as the group financial manager of Avgold Limited and, in 2003, was appointed financial director. He became executive: finance of ARM in 2004, chief financial officer in 2008 and financial director in 2009. After eight years in that role, Mike retired in 2017, but remains on the ARM board as a non-executive director. Since retiring, he has joined the boards of African Rainbow Capital Proprietary Limited and African Rainbow Energy and Power Proprietary Limited.

DAVID NOKO (62)

Independent non-executive director

Member of investment, non-executive directors' and social and ethics committees

Higher diploma (mech eng) (Wits Technikon), management development programme (Wits), postgraduate diploma (company directorships) (Graduate Institute of Management & Technology), MBA (Heriot-Watt University), senior executive programme (London Business School)

Appointed to the board in 2017

David Noko is an internationally-renowned business leader. He worked for South African Breweries, Pepsi Cola International and in senior and executive roles at Air Chefs (Proprietary) Limited and De Beers Consolidated Mines Limited. Most recently and until his retirement in February 2019, he was an executive at AngloGold Ashanti Limited, responsible for the group sustainable development portfolio. A member of the Institute of Directors, his experience, qualifications and business acumen have seen him serve on the boards of Royal Bafokeng Platinum Limited, Harmony and AstraPak Limited. In August 2019, David was appointed as a member of the Council of the University of the Free State.

JAN STEENKAMP (65)

Non-executive director

Member of the investment, non-executive directors' and social and ethics committees

National mining diploma (Witwatersrand Technical College), executive development programme (Wits Business School)

Appointed to the board in 2017

Jan Steenkamp started his career with the Anglovaal Group in 1973. Trained as a mining engineer, he has worked at and managed group mining operations in the gold, copper, manganese, iron ore and chrome sectors. He was appointed as managing director of Avgold Limited in September 2002 and also served on the board of Assmang Limited. In 2003, he was appointed to the Avmin board and became chief executive officer in July 2003 after serving as chief operating officer. He later served as chief executive of ARM Ferrous and an executive director on the ARM board from 2005 to 2012. He was appointed chief executive of ARM exploration and strategic services in 2012 until retiring in 2017. Jan is also a non-executive director of African Rainbow Energy and Power Proprietary Limited.

Ordinary resolution number 6: election of audit and risk committee members

TOM BOARDMAN (69)

Independent non-executive director

Chairman of audit and risk and member of non-executive directors' and remuneration committees

BCom (Wits), CA(SA)

Appointed to the board in 2011

Tom Boardman was chief executive of Nedbank Group Limited from 2003 to 2010. Before that, he was chief executive and executive director of BoE Limited, which was acquired by Nedbank in 2002. He was the founding shareholder and managing director of retail housewares chain Boardmans, which he sold to Pick n Pay in 1986. The Boardmans chain of stores is now owned by Edcon. He was also previously managing director of Sam Newman Limited and worked for the Anglo American Corporation. He served his articles at Deloitte.

He served as a non-executive director of Nedbank Limited from 2010 to 2017, chairing the credit and capital and risk committees. He was a director of listed Swedish investment company, Kinnevik, from 2011 to 2018, and chairman for the last two years.

He is currently a non-executive director of African Rainbow Minerals Limited, Woolworths Holdings and Royal Bafokeng Holdings, Ubuntu-Botho Investments, African Rainbow Capital Proprietary Limited and African Rainbow Energy and Power Proprietary Limited. He is also a non-executive director and chairman of Millicom International Cellular, one of the major mobile and cable network operators in Central and South America and listed on the Swedish stock exchange. He is chairman of Ansor Limited, a private equity holding company based in the United Kingdom, a director of The Peace Parks Foundation and trustee for a number of other charitable foundations.

DR MANANA BAKANE-TUOANE (71)

Independent non-executive director

Member of audit and risk, nomination, non-executive directors', remuneration and social and ethics committees

BA (economics and statistics) (University of Botswana, Lesotho and Swaziland), MA (econ, international trade) (University of Oregon USA), PhD (econ) (University of Saskatchewan, Canada)

Appointed to the board in 2004

Dr Manana Bakane-Tuoane served as ARM's lead independent non-executive director from 2009 to 2015. She has extensive experience in the economics field. Her 20-year career in the academic field included lecturing at the University of Botswana, Lesotho and Swaziland (UBLS), National University of Lesotho, University of Saskatchewan (sectional lecturer), and University of Fort Hare as head of department and associate professor. During this part of her career, she was seconded to work in the public service, where she has held senior management positions since 1995. At the same time, she has been a member and office bearer of international organisations such as Winrock International and the African Economic Research Consortium. She is also a trustee of certain Sanlam trusts. Manana was special advisor to the ministers of social development, water and environmental affairs as well as environmental affairs from 2009 to 2015.

ANTON BOTHA (66)

Independent non-executive director

Chairman of remuneration committee; member of audit and risk, investment, non-executive directors' committees

BCom (marketing) (University of Pretoria), BProc (Unisa), BCom (hons) (University of Johannesburg), SEP (Stanford)

Appointed to the board in 2009

Anton Botha is a co-founder, director and co-owner of Imalivest, a private investment group that manages proprietary capital provided by its owners and the Imalivest Flexible Funds. He is also a non-executive director of the University of Pretoria, Sanlam Limited and certain Sanlam subsidiaries.

ALEX MADITSI (57)

Lead independent non-executive director

Chairman of the nomination and of the non-executive directors' committees; member of audit and risk, investment, remuneration and social and ethics committees

BProc (University of the North), LLB (Wits), HDip company law (Wits), LLM company and labour law (Pennsylvania, USA), LLM international commercial law (Harvard, USA)

Appointed to the board in 2004

Alex Maditsi became lead independent non-executive director in 2015. He is managing director of Copper Moon Trading (Pty) Ltd. Previously he was employed by Coca-Cola South Africa as a franchise director for South Africa, country manager for Kenya, and senior director: operations planning and legal director for Coca-Cola Southern and East Africa. Prior to that company, he was the legal director for Global Business Connections in Detroit, Michigan. He also spent time at Lewis, White and Clay, The Ford Motor Company and Schering-Plough in the USA, practising as an attorney. Alex was a Fulbright scholar and member of the Harvard LLM Association. His directorships include African Rainbow Energy and Power Proprietary Limited, Bidvest Group Limited, Murray & Roberts and Sterling Debt Recoveries (Pty) Ltd.

DR REJOICE SIMELANE (67)

Independent non-executive director

Chairman of social and ethics committee; member of audit and risk, nomination and non-executive directors' committees

BA (economics and accounting) (University of Botswana, Lesotho and Swaziland), MA (econ) (University of New Brunswick, Canada and University of Connecticut, USA), PhD (econ) (University of Connecticut), LLB (Unisa)

Appointed to the board in 2004

Rejoice Simelane began her career at the University of Swaziland as a lecturer in economics. Between 1998 and 2001, she worked at the Department of Trade and Industry as well as the National Treasury. She then served as a special economics advisor to the premier of Mpumalanga until 2004, when she was appointed chief executive of Ubuntu-Botho Investments, a position she held until 2016. While she remains an executive director of Ubuntu-Botho Investments, she is also a non-executive director of its wholly-owned subsidiary, African Rainbow Capital Proprietary Limited. Other directorships include Sanlam Limited, Mamelodi Sundowns Football Club, and African Rainbow Energy and Power Proprietary Limited. She is also a member of the Premier Soccer League executive committee. A CIDA scholarship recipient and Fulbright fellow, Rejoice was a member of the presidential economic advisory panel under president Mbeki until 2009 and served on the board of the Council for Medical Schemes from 2008 to 2011.

ANNEXURES

Explanatory note for ordinary resolution number 6: Election of audit and risk committee members

Ordinary resolution number 6 provides for the election of audit and risk committee members. Section 94(2) of the Companies Act and principle 8 of King IV require shareholders of a public company to elect the members of an audit committee at each annual general meeting. Accordingly, a nomination committee should present shareholders with suitable candidates for election as audit committee members. The members of the nomination committee satisfied themselves that, inter alia, the independent non-executive directors offering themselves for election as members of the audit and risk committee:

- Have the necessary knowledge and capacity and are independent non-executive directors as contemplated in the Companies Act and the JSE Listings Requirements
- Have the necessary knowledge and capacity and are suitably qualified and experienced for audit and risk committee membership (see résumés on pages 138 to 139 of this notice)
- Have an understanding of integrated annual reporting (including financial reporting), internal financial controls, external and internal audit processes, risk management, sustainability issues and the governance process in the group
- Collectively have skills that are appropriate to the group's size and circumstance, as well as its industry
- Have an understanding of International Financial Reporting Standards and other financial and sustainability reporting standards, regulations and guidelines applicable to the group
- Adequately keep abreast of key developments affecting their required skills set.

The nomination committee recommended that the board recommend to shareholders the election of those audit and risk committee members who offer themselves for election. For further details on the performance of the audit and risk committee in the review period, please refer to the committee's report on pages 2 to 4 of the 2019 annual financial statements.

Explanatory note for ordinary resolution numbers 7 and 8: Non-binding advisory votes

Paragraph 3.84(k) of the JSE Listings Requirements and King IV (principle 14: recommended practice 37) provide that the remuneration policy and remuneration implementation report be tabled every year for separate non-binding advisory votes by shareholders at the annual general meeting.

Ordinary resolution number 7 provides for a non-binding advisory vote on the company's remuneration policy, which appears on page 109.

Ordinary resolution number 8 provides for a non-binding advisory vote on the company's remuneration implementation report, which appears on page 117.

King IV provides that, in the event that either the remuneration policy or implementation report, or both, were voted against by 25% or more of the voting rights exercised, the following should be disclosed in the background statement of the next remuneration report:

- The shareholders with whom the company engaged, and the manner and form of engagement to ascertain the reasons for dissenting votes
- The nature of steps taken to address legitimate and reasonable objections and concerns.

The board will consider the outcome of the votes when reviewing the company's remuneration policy and its implementation.

FORM OF PROXY

AFRICAN RAINBOW MINERALS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1933/004580/06)
JSE share code: ARI
A2X share code: ARI
ISIN: ZAE000054045
("ARM" or "the company")

A shareholder is entitled to appoint one or more proxies (none of whom need to be a shareholder of the company) to attend, speak and vote or abstain from voting in place of that shareholder at the annual general meeting.

Shareholders who have dematerialised their shares (other than those with own name registrations) should provide their central securities depository participant (CSDP) or broker with their voting instructions in terms of the custody agreement entered into with their relevant CSDP or broker. Should such shareholders wish to attend the annual general meeting of the company, they should inform their CSDP or broker timeously and request the necessary letter of representation from their CSDP or broker to attend and vote their ARM shares.

For completion by shareholders who have not yet dematerialised their shares or who have dematerialised their shares with own name registration.

Shareholders who have not yet dematerialised their shares or who have dematerialised their shares with own name registration ("entitled shareholders") may appoint one or more proxies to attend, speak and vote or to abstain from voting in their place. The person appointed need not be a shareholder of the company.

This form of proxy is for the use of entitled shareholders who wish to be represented. Entitled shareholders who wish to be represented by proxy should complete this form as instructed and return it to the transfer secretaries, to be received by the stipulated time and date. If you are unable to attend the 86th annual general meeting of shareholders of the company convened for Friday, 6 December 2019 at 14:00, South African time, but wish to be represented you may complete and return this form to be received by 14:00, South African time, on Wednesday, 4 December 2019 (or 48 hours before the time appointed for any adjourned meeting) for administrative purposes. Alternatively, completed forms of proxy may be lodged with the chairman of the annual general meeting at the designated venue of the meeting, before voting starts on the resolutions to be tabled at the annual general meeting on the day of the meeting.

I/We _____ (name in block letters)

of _____ (address)

(email) _____ (cell number) _____

being the holder of _____ shares in the issued share capital of the Company,

do hereby appoint _____

or failing him/her, the executive chairman of the board of directors, or failing him, the chairman of the meeting, as my/our proxy to vote for me/us on my/our behalf at the annual general meeting of the company to be held at 14:00, South African time, on Friday, 6 December 2019 and at any cancellation, postponement or adjournment thereof on the following resolutions:

(Indicate with an X in the spaces below how votes are to be cast.)

	For	Against	Abstain
Ordinary Business			
1. Ordinary resolution number 1: Re-election of Mr F Abbott			
2. Ordinary resolution number 2: Re-election of Mr M Arnold			
3. Ordinary resolution number 3: Re-election of Mr DC Noko			
4. Ordinary resolution number 4: Re-election of Mr JC Steenkamp			
5. Ordinary resolution number 5: Reappointment of external auditor and appointment of Mr PD Grobbelaar as the designated auditor			
6. Ordinary resolution number 6: To individually elect the following independent non-executive directors as members of the audit and risk committee			
6.1 Mr TA Boardman			
6.2 Dr MMM Bakane-Tuoane			
6.3 Mr AD Botha			
6.4 Mr AK Maditsi			
6.5 Dr RV Simelane			
7. Ordinary resolution number 7: Non-binding advisory vote on the company's remuneration policy			
8. Ordinary resolution number 8: Non-binding advisory vote on the company's remuneration implementation report			
9. Ordinary resolution number 9: Placing control of authorised but unissued company shares in the hands of the board			
10. Ordinary resolution number 10: General authority to allot and issue shares for cash			
Special Business			
11. Special resolution number 1: To individually authorise the company to pay the following remuneration to non-executive directors with effect from 1 July 2019:			
11.1 Annual retainer fees as outlined on page 132 of the notice of annual general meeting			
11.2 Fees for attending board meetings as outlined on page 132 of the notice of annual general meeting			
12. Special resolution number 2: Committee meeting attendance fees with effect from 1 July 2019 as outlined on page 133 of the notice of annual general meeting			
13. Special resolution number 3: Financial assistance for subscription for securities			
14. Special resolution number 4: Financial assistance for related or inter-related companies			
15. Special resolution number 5: Issue of shares for the company's share or employee incentive schemes			
16. Special resolution number 6: General authority to repurchase shares			

Number of shares

Unless this section is completed for a lesser number, the company is authorised to insert the total number of shares registered in my/our name(s).

Signed at _____ on _____ 2019

Signature _____ Assigned by me (where applicable) _____

NOTES TO THE PROXY

Instructions on signing and lodging the form of proxy

Please read the notes below:

1. Completing and lodging this form of proxy will not preclude the entitled shareholder from attending the meeting and speaking and voting in person at the meeting to the exclusion of any proxy appointed should they wish to do so.
2. Every shareholder present in person or represented by proxy and entitled to vote will, on a show of hands, have only one vote and, on a poll, every shareholder will have one vote for every ordinary share held.
3. You may insert the name of any person(s) whom you wish to appoint as your proxy in the space(s) provided. The person whose name appears first on the form of proxy and who is present at this meeting will be entitled to act as a proxy to the exclusion of those whose names follow.
4. When there are joint holders of shares, the vote of the senior present in person or represented by proxy will be accepted to the exclusion of the votes of other joint holders. Seniority will be determined by the order of the names in the register of members in respect of the joint holding. Only the holder whose name appears first in the register need sign this form of proxy.
5. If the form of proxy is signed under the authority of a power of attorney or on behalf of a company or any other juristic person, then it must be accompanied by that power of attorney or a certified copy of the relevant enabling resolution or other authority of such company/juristic person, unless proof of such authority has been recorded by the company.
6. If the entitled shareholder does not indicate in the appropriate place how they wish to vote on a resolution, their proxy will be entitled to vote as they deem fit on that resolution.
7. Deleting any printed matter and completing any blank spaces need not be signed or initialled. However, any alteration must be signed, not initialled.
8. The chairman of the meeting has the absolute discretion to reject any form of proxy not completed according to these instructions.
9. Forms of proxy, powers of attorney or any other authority appointing a proxy must be deposited at the transfer secretaries, Computershare Investor Services Proprietary Limited (Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa; or posted to PO Box 61051, Marshalltown 2107, South Africa; or faxed to the proxy department +27 11 688 5238; or emailed to Proxy@computershare.co.za) to be received by 14:00, South African time, on Wednesday, 4 December 2019 (or 48 hours before the time appointed for any adjourned meeting) for administrative purposes. Despite any failure to deposit these documents at the transfer secretaries, completed forms of proxy may nevertheless be lodged with the chairman of the annual general meeting on the date and at the designated venue before voting begins on the resolutions to be tabled at that meeting.
10. No form of proxy will be valid after the end of the annual general meeting or any cancellation, postponement or adjournment of that meeting.
11. Summary of the rights established by section 58 of the Companies Act, 71 of 2008, as amended:
    - A shareholder of a company may at any time appoint any individual, including one who is not a shareholder of that company, as a proxy to participate in and speak and vote at a shareholders' meeting on their behalf.
    - A shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
    - A proxy may delegate their authority to act on behalf of the shareholder to another person.
    - A proxy appointment must be in writing, dated and signed by the shareholder; and remains valid only until the end of the meeting for which it was intended, unless the proxy appointment is revoked, in which case the proxy appointment will be cancelled with effect from such revocation.
    - A shareholder may revoke a proxy appointment in writing.
    - A proxy appointment is suspended at any time and to the extent that the shareholder chooses to act in person in exercising their rights as a shareholder.
    - A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction.