

AFRICAN RAINBOW MINERALS LIMITED
 (Registration number 1933/004580/06)
 ("the Company" or "ARM")

**MINUTES OF THE 83RD ANNUAL GENERAL MEETING
 OF SHAREHOLDERS HELD IN BOARDROOMS 6/7, SANDTON CONVENTION CENTRE,
 CORNER OF FIFTH AND MAUDE STREETS, SANDTON ON FRIDAY, 2 DECEMBER 2016
 AT 14:00 (the "Meeting")**

SHAREHOLDERS**PRESENT:**

P T Motsepe (*Chairman of the Meeting*)
 M Arnold
 R D Baloyi
 A D Botha
 J M Bräsler
 N Botes-Schoeman
 A N D'Oyley (*Company Secretary*)
 H L Mkatshana
 N N Nzimande
 M P Schmidt
 L A Shiels
 A J Wilkens

16 shareholders present in person or by representation and 25 shareholders represented by the Chairman of the Meeting as their proxy. The number of ARM shares voted in person or by proxy at the Annual General Meeting was 177,352,473, representing 81.21% of the issued share capital and 93.46% of the Company's votable shares.

IN ATTENDANCE:**Directors**

M M M Bakane-Tuoane, Dr
 T A Boardman
 J A Chissano
 A K Maditsi
 R V Simelane, Dr
 Z B Swanepoel

Management

L B Boshielo
 W H Graham
 A Joubert
 P Joubert
 N V Khumalo
 S M Langa
 B R Mashiane
 I D Matlala
 A M Mukhuba
 I F Paruk
 J C Steenkamp
 P S Thwala
 F A Uys

Others	D Ashe	KPMG
	G Bruce	Deutsche Securities (SA) (Pty) Ltd
	K Crouse	PwC
	K Crowley	Bloomberg
	P Egan	Deutsche Securities (SA) (Pty) Ltd
	L I N Tomlinson	Ernst & Young Inc.
	I van Schoor	Computershare Investor Services (Pty) Ltd
	B J van Vuuren	Computershare Investor Services (Pty) Ltd
	M Wenner	Computershare Investor Services (Pty) Ltd
	C M Wilson	KPMG
	C Valkin	Bowman Gilfillan Inc.

WELCOME: Mr P T Motsepe welcomed shareholders, Directors, management and other attendees.

ELECTRONIC PARTICIPATION:

The Chairman of the Meeting noted that in accordance with the Companies Act 71 of 2008 (as amended) (the "**Companies Act**"), the Company had provided for the electronic participation (but not voting) of shareholders.

SCRUTINEER: The Chairman of the Meeting appointed Computershare Investor Services (Pty) Ltd, represented by Mr I van Schoor, as the scrutineer of the Meeting.

QUORUM: The necessary quorum being present, the Chairman of the Meeting declared the Meeting duly constituted and welcomed all those present.

NOTICE OF ANNUAL GENERAL MEETING:

The Notice of Annual General Meeting was taken as read.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND THE DIRECTORS', AUDIT AND RISK COMMITTEE AND AUDITORS' REPORTS:

The Chairman of the Meeting tabled the annual financial statements of:

- (i) the Group for the financial year which ended 30 June 2016, as set out on pages 207 to 299 of the 2016 Integrated Annual Report, including the Directors', Audit and Risk Committee and Independent Auditor's Reports; and
- (ii) the Company for the financial year which ended on 30 June 2016, as set out in the separate document

accompanying the Notice of Annual General Meeting and referred to as the "2016 Company Annual Financial Statements", including the Directors', Audit and Risk Committee and Independent Auditor's Reports.

The Chairman of the Meeting invited questions. There were no questions.

PRESENTATION OF THE SOCIAL AND ETHICS COMMITTEE REPORT:

The Chairman of the Meeting tabled the Report of the Social and Ethics Committee as set out on pages 197 and 198 of the Integrated Annual Report. The Social and Ethics Committee Report was proposed pursuant to Regulation 43(5)(c) of the Regulations promulgated in terms of the Companies Act that requires the Social and Ethics Committee to report to shareholders on matters within the Company's Social and Ethics Committee mandate. The Social and Ethics Committee Report was taken as read.

The Chairman of the Meeting invited questions. There were no questions.

VOTING ON RESOLUTIONS BY POLL:

The Chairman of the Meeting stated that voting on all resolutions would be by means of a poll after all of the resolutions were read.

It was noted that in order for Ordinary resolutions numbers 1 to 6 to be approved, the support of a majority of votes cast by shareholders present or represented by proxy at the Annual General Meeting was required.

RE-ELECTION OF NON-EXECUTIVE DIRECTORS:

The Chairman of the Meeting advised that in terms of the Company's Memorandum of Incorporation, Messrs F Abbott, T A Boardman and W M Gule were retiring by rotation from the Board of Directors (the "Board") at the Meeting and being eligible, made themselves available for re-election.

Thereafter, the following separate motions were proposed.

a) **Ordinary resolution number 1 -
Re-election of Mr F Abbott**

Following the motion seconded by Mr A D Botha, the Chairman of the Meeting invited shareholders to ask questions in respect of the following resolution:

"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."

There were no questions.

b) **Ordinary resolution number 2 -
Re-election of Mr T A Boardman**

Following the motion seconded by Mr Botha, the Chairman of the Meeting invited shareholders to ask questions in respect of the following resolution:

"Resolved that Mr T A Boardman, 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."

There were no questions.

c) **Ordinary resolution number 3 -
Re-election of Mr W M Gule**

Following the motion seconded by Mr A J Wilkens, the Chairman of the Meeting invited shareholders to ask questions in respect of the following resolution:

"Resolved that Mr W M Gule, 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."

There were no questions.

**RE-APPOINTMENT OF THE COMPANY'S EXTERNAL AUDITOR AND RE-APPOINTMENT OF
THE DESIGNATED AUDITOR - Ordinary resolution number 4**

The Chairman of the Meeting advised that shareholders were to consider the re-appointment of Ernst & Young Inc. as the external auditor of the Company and to re-appoint Mr L I N Tomlinson as the person designated to act on behalf of the external auditor.

Following the motion seconded by Mr Botha, the Chairman of the Meeting invited shareholders to ask questions about the motion.

The Chairman of the Meeting tabled the following resolution:

"Resolved that the re-appointment of Ernst & Young Inc. as the external auditor of the Company be and is hereby approved and that Mr L I N Tomlinson be and is hereby re-appointed as the designated auditor for the financial year ending 30 June 2017 and to remain in

office until the conclusion of the next Annual General Meeting."

There were no questions.

**ELECTION OF AUDIT AND RISK COMMITTEE MEMBERS -
Ordinary resolution number 5**

The Chairman of the Meeting advised that Ordinary resolution number 5 was proposed to elect the Audit and Risk Committee members, who being eligible made themselves available for election, in terms of Section 94(2) of the Companies Act and the King Report on Governance for South Africa 2009.

Thereafter, the separate motions set out below were proposed in respect of the following resolution, which was taken as read:

"Resolved that 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:

- 5.1 Mr T A Boardman*
- 5.2 Mr F Abbott
- 5.3 Dr M M M Bakane-Tuoane
- 5.4 Mr A D Botha
- 5.5 Mr A K Maditsi
- 5.6 Dr R V Simelane."

*Subject to their election as Directors pursuant to Ordinary resolutions numbers 1 and 2 above.

- a) **Ordinary resolution number 5.1 -
Election of Mr T A Boardman as a member of the Audit and Risk Committee**

Following seconding of the motion by Mr J M Bräsler, the Chairman of the Meeting invited shareholders to ask questions in respect of the resolution. There were no questions.

- b) **Ordinary resolution number 5.2 -
Election of Mr F Abbott as a member of the Audit and Risk Committee**

Following seconding of the motion by Mr Botha, the Chairman of the Meeting invited shareholders to ask questions in respect of the resolution. There were no questions.

- c) **Ordinary resolution number 5.3 -**

Election of Dr M M M Bakane-Tuoane as a member of the Audit and Risk Committee

Following the motion seconded by Mr Bräsler, the Chairman of the Meeting invited shareholders to ask questions in respect of the resolution. There were no questions.

- d) **Ordinary resolution number 5.4 -
Election of Mr A D Botha as a member of the Audit and Risk Committee**

Following the motion seconded by Mr Wilkens, the Chairman of the Meeting invited shareholders to ask questions in respect of the resolution. There were no questions.

- e) **Ordinary resolution number 5.5 -
Election of Mr A K Maditsi as a member of the Audit and Risk Committee**

Following the motion seconded by Mr L A Shiels, the Chairman of the Meeting invited shareholders to ask questions in respect of the resolution. There were no questions.

- f) **Ordinary resolution number 5.6 -
Election of Dr R V Simelane as a member of the Audit and Risk Committee**

Following the motion seconded by Mr Wilkens, the Chairman of the Meeting invited shareholders to ask questions in respect of the resolution. There were no questions.

**REMUNERATION REPORT, INCLUDING THE REMUNERATION POLICY -
Ordinary resolution number 6**

The Chairman of the Meeting advised that Ordinary resolution number 6 was proposed to provide for a non-binding advisory vote on the Company's Remuneration Report, which included the Remuneration Policy.

Following the motion seconded by Mr Botha, the Chairman of the Meeting invited shareholders to ask questions in respect of the following resolution:

"Resolved that shareholders endorse, by way of a non-binding advisory vote, the Company's Remuneration Report, including the Remuneration Policy, as set out in the 2016 Integrated Annual Report on pages 185 to 196."

There were no further questions.

REMUNERATION OF NON-EXECUTIVE DIRECTORS:

The Chairman of the Meeting advised that the next agenda items were two Special resolutions proposing market-related increases to Non-executive Directors' fees, with effect from 1 July 2016.

In order for Special resolutions number 1 and 2 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 was required.

- a) **Special resolution number 1 – Increase in annual retainer fees and per Board meeting attendance fees**

Special resolution number 1 was proposed to approve a 4% per annum increase to the annual retainer fees and per Board meeting attendance fees for Non-executive Directors (including Independent Non-executive Directors), with effect from 1 July 2016.

Following the motion seconded by Mr Bräsler, the Chairman of the Meeting invited shareholders to ask questions in respect of the following resolution:

“Resolved that with effect from 1 July 2016 the annual retainer fees and per Board meeting attendance fees for Non-executive Directors be increased by 4% per annum (rounded to the nearest R50) as follows:

	Proposed 2016/2017 Fees (Rand)*		2015/2016 Fees (Rand)**	
	Annual	Per meeting	Annual	Per meeting
Lead Independent Non-executive Director	508 300	19 450	488 750	18 700
Independent Non-executive Director	405 500	19 450	389 900	18 700
Non-executive Director	324 500	19 450	312 000	18 700

* Effective 1 July 2016, should the increase be approved by shareholders at the Annual General Meeting.

** Effective 1 July 2015.”

There were no questions.

b) **Special resolution number 2 -
Increase in the Committee meeting attendance fees**

Special resolution number 2 was proposed to approve an increase in the Committee meeting attendance fees for Non-executive Directors, with effect from 1 July 2016.

Following the motion seconded by Mr Wilkens, the Chairman of the Meeting invited shareholders to ask questions in respect of the following resolution:

“Resolved that with effect from 1 July 2016, the per Committee meeting attendance fees for Non-executive Directors be increased by 4% per annum (rounded to the nearest R50) as follows:

	Proposed 2016/2017 Per meeting attendance fees (Rand)*	2015/2016 per meeting attendance fees (Rand)**
Audit and Risk Committee		
Chairman	101 350	97 450
Member	40 550	39 000
Investment Committee, Nomination Committee, Remuneration Committee and Social and Ethics Committee		
Chairman	39 800	38 250
Member	26 500	25 500

* Effective 1 July 2016, should the increase be approved by shareholders at the Annual General Meeting.

** Effective 1 July 2015.*

There were no questions.

QUESTIONS: The Chairman of the Meeting invited shareholders to ask questions on any matter.

Mr R D Baloyi inquired as to the reasons that the Company had decided to establish a manganese ore smelting facility in Malaysia. It was noted that Assmang (Pty) Ltd developed the Sakura Ferroalloys smelting facility to maintain its existing alloy customers and to access growing Asian markets, by leveraging the long-term availability of reasonably priced hydro power with guaranteed low escalation rates in the region.

There were no further questions.


VOTING AND

RESULTS: The Chairman of the Meeting invited shareholders to cast their votes. Following a brief recess, the results of the voting were tabled by Mr van Schoor, the scrutineer.

The Chairman of the Meeting announced that all resolutions had been approved by the shareholders by the requisite majorities.

CLOSURE: There being no further business, the Chairman of the Meeting thanked shareholders, Board members and other attendees for their attendance and declared the Meeting closed.

SIGNED AS A CORRECT RECORD



CHAIRMAN OF THE MEETING

10 March 2017

DATE