



MINE RESTORATION INVESTMENTS LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1987/004821/06)

Share code: MRI

ISIN: ZAE000164562

(“MRI” or the “Company”)

SMALL RELATED PARTY TRANSACTION – FAIRNESS OPINION

1. Introduction

Shareholders are referred to the announcement released on SENS on 6 July 2020, wherein it was advised that the Company had concluded a loan agreement with Langpan Mining Co Proprietary Limited (“**Langpan**”) for the advancement of R3 000 000 (“**the Loan**”).

Shareholders are further referred to the announcement released on SENS on 20 August 2020 wherein it was advised that Langpan and MRI agreed that MRI would acquire 100% of the ordinary share capital of Langpan (“**the Proposed Transaction**”).

For ease of reference, the key details of the Loan are reiterated below.

2. Overview and key details of the Loan

MRI has been listed on the Alternative Exchange of the JSE Limited (“**JSE**”) since June 2012.

Langpan mines and processes chrome ore to form chrome concentrate, with a by-product having a high concentration of Platinum Group Metals. The Proposed Transaction is part of MRI’s strategy to become a mining house that promotes rural investment into sustainable mining projects on an inclusive and equitable basis.

The agreement governing the terms and conditions of the Loan (“**the Loan Agreement**”) stipulated that the loaned funds are to be utilised in the settlement of the costs, fees and expenses related to the Proposed Transaction and for the operating expenses and working capital requirements of Langpan, in anticipation of the Proposed Transaction being implemented.

The Loan is unsecured, bears interest at the prime lending rate from time to time, plus eight percent and was effective on 1 September 2018. No conditions precedent to the Loan Agreement remain outstanding.

As at 24 March 2021 the total amount outstanding under the Loan Agreement is R783,115.12. This figure is unaudited and has not been reviewed or reported on by the Company's auditors.

3. Categorisation and Related Parties

Michael Miller and Alistair Collins, both non-executive directors of the Company, collectively own 100% of Disruption Capital Limited ("**DCL**"). In turn, DCL holds 29.6% of Langpan.

Additionally, Ulrich Bester, the former financial director of the Company owns 10% of Kianality, which company has an 8.5% stake in Langpan.

Accordingly, in terms of the Listings Requirements of the JSE ("**Listings Requirements**"), the Loan was classified as a small, related party transaction.

In accordance with the Listings Requirements the non-conflicted directors of MRI appointed Letsema Corporate Advisory ("**Letsema**") to act as an independent professional expert to opine on the fairness of the Loan.

4. Fairness Opinion

Letsema completed its fairness opinion which concluded that the Loan terms are fair to MRI shareholders, and therefore does not require shareholder approval.

The fairness opinion is available at the registered offices of MRI for a period of 28 days from the date of this announcement and can also be accessed online at <http://minerestoration.co.za/media/sens-announcements>.

Johannesburg
26 March 2021

Designated Advisor
Merchantec Capital