



## MEMBERS OF THE BAKWENA BA-MOGOPA COMMUNITY

### COMMUNICATION TO BAKWENA BA-MOGOPA COMMUNITY RELATING TO THE RHOVAN OPERATION

Glencore wishes in this communication to provide feedback to the Community regarding a few important issues relating to the Rhovan operation and the Community's interest therein.

As you are aware, the Community's 26% participation interest in the Rhovan operation is held via the Trust which is a party to the Rhovan Pooling and Sharing Venture (the "**Rhovan PSV**") which regulates the relationship between Glencore and the Trust in relation to the Rhovan operation.

To date, valid trustees to the Trust have unfortunately not been appointed and the Trust is accordingly unable to function. In terms of the Trust Deed, the trustees are to include the Kgosi, independent trustees as well as trustees to be appointed by various parties such as the Traditional Council, the Community Headman as well as the Bethanie, Jericho and Hebron wards of the Community. Glencore is not responsible for appointing any of the trustees.

As you are further aware, the loan which was owing by the Trust to Glencore has been fully repaid and the Trust is therefore entitled to the full 26% of its distributions from the Rhovan PSV. Due to certain allegations regarding misappropriation of Trust funds, Glencore has been paying the Trust's share of distributions from the Rhovan PSV, into an attorneys trust account, invested for the benefit of the Trust. The reason for this is that Glencore is safeguarding the Trust's funds until a lawful board of trustees is appointed. Glencore would like to assure the Community that it has never used any of the Trust's funds for any purpose including funding of any legal processes against the Bakwena Traditional Council as has been alleged by certain members of the Community.

The Rhovan PSV agreement provides for the Trust being entitled to appoint members to the joint board which is the ultimate governing body of the Rhovan operations - but due to the Trust being unable to function, a formal joint board has not yet been constituted. Glencore is currently trying to agree a process with certain representatives of the Community to share on a regular basis some key information relating to the Rhovan operations with the Community. We hope to share some feedback with you shortly in this regard.

Glencore wishes to confirm to the Community that as soon as a lawful board of trustees is in place, all monies currently being held in trust will be paid over to the Trust and the Trust will be entitled to appoint representatives to the joint board of the Rhovan PSV.

## **Rhovan**

AN OPERATION OF THE **RHOVAN PSV** MANAGED BY **GLENCORE**

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The Rhovan Pooling and Sharing Venture is a pooling and sharing venture between Glencore Operations South Africa (Pty) Ltd (Reg No 1997/017998/07) and the Bakwena-ba-Mogopa Community Trust

VAT Reg No 4270257969 COO Vanadium: A Brugman

Regarding the Bakwena Traditional Council, Glencore is of the view that the term of office of the Bakwena Traditional Council has expired and furthermore that without the participation in the Bakwena Traditional Council by the Kgosi and his selected representatives, the Bakwena Traditional Council is not properly convened and cannot act. Glencore however has still continued to deal with certain representatives of the Bakwena Traditional Council and recognises the Bakwena Traditional Council as the *de facto* Traditional Council in an attempt to find a solution to the current issues so that a functional and legal Trust structure can be put in place.

Glencore has over the last 6 years engaged with a number of parties, including the Kgosi, the Royal Family and representatives of the Bakwena Traditional Council (as well as their legal advisors), including participating in a mediation process, to explore whether the disputes between them could be resolved and whether agreement could be reached in relation to appointment of a board of trustees to the Trust. In Glencore's view, all previous discussions as well as the mediation failed primarily as a result of infighting between certain representatives of the Bakwena Traditional Council and Kgosi.

Glencore has proposed and promotes a solution which provides for a widely representative board of trustees as contemplated in the Trust Deed, including independent trustees who have the required credentials and expertise, and who are able to properly manage and utilise Trust funds for the benefit of the Community at large. While Glencore recognizes the role that the statutorily recognised traditional leader of the Community as well as a properly appointed and valid Traditional Council might play, it believes that it is important to put in place safeguards to ensure that neither the Kgosi nor the Traditional Council has sole control over the Trust and/or is able to frustrate the operations of the Trust.

We have previously advised you of the legal proceedings that were underway to challenge the appointment of certain trustees by the Traditional Council. We confirm that these legal proceedings are still ongoing, and that Glencore has had to appeal an initial judgment obtained in relation to these proceedings. The reason is that while the Court acknowledged that the relevant trustees may well have been unlawfully appointed, it found that allowing them to act as trustees was an acceptable solution to the problem. Glencore cannot accept this decision as it is of the view that the Court does not have the power to condone illegality and is not comfortable consolidating control over the Trust in the hands of the Bakwena Traditional Council (or part thereof) due to the current uncertainty as to the legal status of that body, and because of the lack of sufficient checks and balances on the handling of the Trust's affairs. Furthermore, one of the trustees cannot hold a position of trust as he has been struck off the attorneys roll related to trust funds, another of the trustees is deceased, and there is also no information about the remaining trustees that would inform the suitability of their acting as trustees.

Glencore, in light of all of the circumstances, cannot and will not bear the risk of any appointment or structures which are not fully legally compliant. Glencore remains willing and committed to consider certain amendments to the Trust Deed and the possibility of considering amongst other things interim arrangements and applications to court in order to put in place a legitimate legal structure. Glencore will look to give the community due notice of any solutions that are proposed to be implemented and will further look to the courts to approve such solutions in order to protect all relevant parties.

Pending the appointment of a proper joint board, Glencore will continue to operate the Rhovan operations for the benefit of both Glencore and the Trust, as the Trust is now entitled to the full 26% of all distributions from the Rhovan PSV. Glencore appeals to the Community to support us in this regard.

We are aware that certain community members may be calling for community action against the Rhovan operation. Glencore reiterates its commitment to finding a solution to the current problems that will be both legal and provide the necessary protection to the Community. Any disruptions to the

Rhovan operation threatens the safety and financial viability of the Rhovan operation and we do not believe is in the best interests of the Rhovan operation, its employees and/or the Community.

Please feel free to contact us on [014 590 2311](tel:0145902311), should you require any further information or wish to bring any other issue to our attention.

DITOKOLOLO TSA MORAFE WA BAKWENA BA-MOGOPA

PUISANO LE MORAFE WA BAKWENA BA-MOGOPA MABAPI LE TIRAGATSO YA RHOVAN

Mo puisanong e, Glencore e rata go neela morafe dipholo mabapi le dintlha tse di botlhokwa tse di tsamaisanang le Tiragatso ya Rhovan le se Morafe o se eletsang.

Jaaka lo itse, morokotso wa go tsaya karolo ga Morafe wa 26% o mo ditsageng tsa Trust eo e leng karolo ya Rhovan Pooling le Sharing Venture ("PSV ya Rhovan") e e laolang kamano fa gare ga Glencore le Trust mabapi le tiragatso ya Rhovan.

Go fitlha jaanong, batlhokomedi ba ba nitamisitsweng ba Trust, ga ba ise ba thapiwe, mme Trust ga e dire. Go ya ka Kano ya Trust, batlhokomedi ba akaretsa Kgosi, batlhokomedi ba ba ikemetseng gammogo le batlhokomedi ba ba thapiwang ke batsayakarolo ba ba farologaneng jaaka Khansele ya Setso, Dikgosana tsa merafe gammogo le dikgoro tsa baagi ba Bethane, Jericho le Hebrone. Glencore ga e tseye maikarabelo ape a go thapa batlhokomedi.

Jaaka lo itse, kadimo ya madi e e neng e kolotiwa Glencore ke Trust, e duetswe ka botlalo mme jaanong Trust gape e boile e tshwanelwa ke kabelo ya 26% e e tletseng go tswa go Rhovan PSV. Go ya ka ditatofatso tse di farologaneng mabapi le tirisobotlhaswa ya matlole a Trust, Glencore e ntse e duela diabo kgotsa dišere tsa diphasalatso go tswa go Rhovan PSV, mo akhaonteng ya Trust ya babueledi, di beeleditswe go ungwela Trust. Lebaka la se ke gore Glencore e sireletsa matlole a Trust go fitlha boto ya batlhokomedi ya semolao e thapiwa. Glencore e rata go rurifaletsa Morafe gore ga e ise e dirisetse matlole a Trust lebaka lepe go akaretsa go etleetsa tsela epe ya semaolao kगतलhanong le Khansele ya Setso ya Bakwena jaaka baagi bangwe ba latofatsa.

Tumelano ya Rhovan PSV e neela tetla go Trust go thapa ditokololo tsa boto e e tshwaraganetsweng e kwa bofelong e tlaa nnang bolaodi jwa ditiragatso tsa Rhovan – fela go sa dire ga Trust, go bakile gore boto e e tshwaraganetsweng e e rulaganeng e be e ise e tlhamiwe. Gajaana Glencore e tshwaragane le go dumelana ka tsela e e rileg le baemedi bangwe ba morafe go amogana tshedimosetso e e botlhokwa e e tsamaisanang le tiragatso ya Rhovan le morafe. Re solofela go lo neela dipholo tsa se mo nakong e e sa fediseng pelo.

Ke keletso ya Glencore gore fa fela boto ya batlhokomedi ba semmuso e setse e thapilwe, madi otlhe a gajaana a leng mo ditsageng tsa Trust a be a duelwa mo Tearseteng mme Trust yone e thape baemedi mo botong ya Rhovan PSV.

Mabapi le Khansele ya Setso ya Bakwena, Glencore e akanya gore pakathapo ya go nna mo kantorong ga Khansele ya Setso ya Bakwena e fedile, go feta foo, go se tseyeng karolo mo Khanseleng ya Setso ya Bakwena ga Kgosi le baemedi ba e ba tlhophileng, Khansele ya Setso ya Bakwena ga e a tlhophiwa sentle mme ga e kake ya dira sepe. Glencore e santse e tshwanelwa ke go mekamekana le bangwe ba baemedi ba Khansele ya Setso ya Bakwena le go tsaya Khansele ya Setso ya Bakwena jaaka Khansele

ya Setso ya nama-o-tshwere go bona tharabololo ya dintlha tse di fa isong gore setheo sa Trust se se dirang e bile e le sa semolao, se thapiwe.

Mo pakeng ya dingwaga di le 6 tse di fetileng, Glencore e buisane le maphata a a farologaneng, go akaretsa Kgosi, Ntlo ya Segosi le baemedi ba Khansele ya Setso ya Bakwena (gammogo le baemedi ba bone ba semolao), go akaretsa go tsaya karolo mo tseleng ya tsereganyo, go bona gore a dikgogakogano tse di leng mo gare ga bona di ka reba mme ga fitlhelwa tumelano mabapi le go thapiwa ga boto ya batlhokomedi go Trust. Go ya ka Glencore, dipuisano tsotlhe tse di fetileng go akaretsa tsereganyo di foloditse bogolo ka ntlha ya dintwa tse di leng fa gare ga bangwe ba baemedi ba Khansele ya Setso ya Bakwena le Kgosi.

Glencore e tshitsintse le go rotloetsa tharabololo e e neelang kemedi e e bulegileng ya boto ya batlhokomedi jaaka e tlhagelela mo Kanong ya Trust, go akaretsa batlhokomedi ba ba ikemetseng ba ba nang le ditlhokego le boitseanape jo bo maleba, e bile ba kgona go tsamaisa le go dirisa matlole a Trust go ungwela Morafe jaaka o ikadile. Fa Glencore e santse e lemoga seabe se se tsewang ke moeteledipele wa morafe wa setso wa semolao gammogo le Khansele ya Setso e e thapilweng sentle e bile e feletse, e dumela gape gore go botlhokwa thata go tsenya tirisong ditselatshireletso ka maitlhome a go netefatsa gore Kgosi kgotsa Khansele ya Setso ga ba nne le taolo e e feletseng ya Trust e bile ga ba kgone go thibela ditiro tsa Trust.

Mo nakong e e fetileng re lo lemositse ka ga dikgato tsa semolao tse di diragalang go gwetlha go thapiwa ga batlhokomedi bangwe ke Khansele ya Setso. Re ka netefatsa gore dikgato tse tsa semolao di a tswelala, le gore Glencore e ne ya pateletsega go ikuela mo katlholong ya ntlha e e neng e bonwe mabapi le dikgato tse. Lebaka ke gore fa Kgotlhatshekelo e amogela gore batlhokomedi ba ba maleba ga ba a thapiwa semolao, e lemogile gore go letla batlhokomedi ba go dira, e nnye tharabololo e e amogelesegang ya bothata. Glencore e ka se amogelesetse tshwetso e gonne e lemoga fa Kgotlhatshekelo e sena maatla a go letlelela bosengsemolao mme ga e kgotsofalele go tiisa taolo ya Trust mo taolong ya Khansele ya Setso ya Bakwena (kgotsa karolo nngwe) ka ntlha ya ketsaetsego ya gajaana go lebilwe maemo a semolao a setheo seo, gape le ka ntlha ya go tlhabela go runa le go lekaleka mo mererong ya Trust. Go ya pele, mongwe wa batlhokomedi ga a kgone go tshola maemo a a rileng a Trust ka ntlha ya go phimolwa mo lenaaneng la babuledi ka gone afitlhetswe a utswetsi madi a Trust, mongwe wa batlhokomedi o tlhokafetse, mme gape ga go na tshedimosetso ka ga batlhokomedi ba ba setseng e e ka thusang mo go tshwaneleng go nna batlhokomedi ga bone.

Mo maamong a otlhe, Glencore ga e kitla e netefatsa matshosetsi a go thapiwa gope fela kgotsa setheo sengwe fela se se seng mo molaong. Glencore gape e a eletsa mme e itlamile go lemoga ditlhabololo dingwe tsa Kano ya Trust le kgonagalo ya go akanya ka ga dilo dingwe di akaretsa thulaganyo ya nakwana le go kopa kgotlhatshekelo go tlhoma setheo sa semmuso. Glencore e tlaa naya morafe kitsiso ya ditharabololo dingwe le dingwe tse di tshitsintsweng go tsenngwa tirisong mme e tlaa tswelala go baya kgotlhatshekelo itlho lentšhotšho go atlanegisa ditharabololo tseo go sireletsa maphata otlhe.

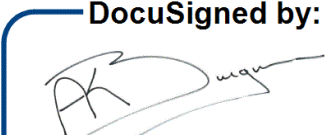
Go santse go letilwe go thapiwa ga boto e e maleba, Glencore e tlaa tswelala go disa ditiragalo tsa Rhovan go emela Glencore le Trust, jaaka gajaana Trust e tshwanelwa ke kabelo ya 26% e e tletseng go tswa go Rhovan PSV. Glencore e ikopela tshegetso e e feletseng mo morafeng.

Re lemogile gore batho bangwe mo morafeng ba ka tswa ba kopa tsereganyo ya morafe kgatlhanong le tiragatso ya Rhovan. Glencore e boeletsa ditlamego tsa yone mo go fitlheleng tharabololo mo seemong sa gajaana e e tlaa nang ya semolao mme gape e neela Morafe shireletso e e tlhokegang. Kgoreletso nngwe le nngwe fela ya tiragatso ya Rhovan e matshosetsi mo tshireletsegong le itekanelo ya matlole a tiragatso ya Rhovan mme ga re dumele fa se, e le keletso ya tiragatso ya Rhovan, badiri ba yone le/kgotsa Morafe.

Tsweetswee lokologa go ikgolaganya le rona mo [014 590 2311](tel:0145902311), -fa o a tlhoka tshedimosetso nngwe fela go ya pele kgotsa o rata go re lemosa ntlha nngwe.

Yours sincerely

**DocuSigned by:**

A handwritten signature in black ink, appearing to read 'AK' followed by a flourish, enclosed within a blue DocuSign signature box.

**Adriaan Brueman**  
013A1C2F30E1469  
**Chief Operating Officer Rhovan**