

# Annual General Meeting 2019



## **Important information for shareholders: action required**

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action to be taken you should consult an appropriate independent professional adviser immediately.

If you have sold or transferred all your shares in Lonmin Plc, please send this circular and the enclosed proxy form to the purchaser or transferee, or to the stockbroker, bank or other agent to or through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

# Annual General Meeting

## LONMIN PLC

Registered in England & Wales

Company number 103002

Registered office:

Connaught House 5th Floor, 1-3 Mount Street, London,  
United Kingdom, W1K 3NB

## To the holders of Lonmin Ordinary Shares

18 February 2019

Dear Shareholder,

## ANNUAL GENERAL MEETING 2019

### Introduction

The 110th Annual General Meeting ("AGM") of Lonmin Plc (the "Company") will be held at 11.00 a.m. (UK time) on 25 March 2019 at 10-11 Carlton House Terrace, London, SW1Y 5AH, United Kingdom (entry through no. 11). The Notice of Meeting is set out on pages 6 to 9 of this circular.

The consideration of resolutions at the AGM is important. Your Directors believe that in the interests of shareholder democracy it is critical that the voting intentions of all members are taken into account; not just those who are able to attend the meeting. We therefore again propose to put all resolutions at the AGM to shareholders by way of a poll rather than a show of hands. The Board considers that a poll is more democratic since it allows the votes of all shareholders to be counted, and electronic voting enables poll voting results to be obtained efficiently and effectively. Shareholders attending the meeting will still have the opportunity to ask questions, form a view on the points raised and vote on each resolution.

If you would like to vote on the resolutions, but cannot come to the AGM, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the AGM. Please see the "Proxy form" section below and the notes to the Notice of Meeting for information.

### Resolution 1: To receive the 2018 Report and Accounts

The Directors of the Company (the "Directors") are required to lay the Annual Report and Accounts (the "Report and Accounts") before the shareholders each year at the AGM.

A copy of the Report and Accounts for the year ended 30 September 2018 is enclosed if you previously elected to receive printed shareholder communications or if you have become a shareholder in the Company since December 2011 (UK register) or May 2012 (SA branch register). The Company now provides the majority of its communication with shareholders via the Company's website at [www.lonmin.com](http://www.lonmin.com) and the 2018 Report and Accounts is available to view, print or download on the website, using Adobe Acrobat or Adobe Acrobat Reader.

### Resolution 2: To approve the 2018 Directors' Remuneration Report (other than the policy) for the year ended 30 September 2018

In accordance with the provisions of the UK Companies Act 2006 (the "Companies Act"), the Directors' Remuneration Report in the 2018 Report and Accounts contains:

- a statement by Varda Shine, Chair of the Company's Remuneration Committee; and
- the annual implementation report on remuneration, which sets out payments made in the financial year ended 30 September 2018.

The statement by the Remuneration Committee Chair (page 91 of the 2018 Report and Accounts) and the annual implementation report on remuneration (pages 92 to 101 of the 2018 Report and Accounts) will, as in the past, be put to an annual advisory shareholder vote by ordinary resolution. The Company's auditors, KPMG LLP, have audited those parts of the Directors' Remuneration Report which are required to be audited and their report is issued in the 2018 Annual Report and Accounts.

The Directors' remuneration policy, which sets out the Company's forward looking policy on Directors' remuneration, was approved at the AGM in 2018 and will not be subject to a shareholder vote at this AGM as no changes are being proposed. The Directors' remuneration policy is available on the Company's website, [www.lonmin.com](http://www.lonmin.com).

Resolution 2 is the ordinary resolution to approve the Directors' remuneration implementation report. Resolution 2 is an advisory resolution and does not affect the future remuneration paid to any Director.

### Resolution 3: To reappoint the auditors

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the conclusion of the next such meeting.

The Audit & Risk Committee has reviewed the effectiveness, performance, independence and objectivity of KPMG LLP on behalf of the Board and concluded that the external auditors were in all respects effective.

It is proposed that KPMG LLP are reappointed auditors of the Company and will hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.

### Resolution 4: To authorise the Audit & Risk Committee of the Board to agree the auditors' remuneration

This resolution authorises the Audit & Risk Committee of the Board to negotiate and agree the remuneration of the auditors.

## Annual General Meeting (continued)

### Resolutions 5 to 12: To elect or re-elect Directors

These resolutions deal with the election or re-election of Directors. The Company is continuing its practice of requiring all Directors to stand for re-election or, in the case of Sizwe Nkosi, election, in accordance with the UK Corporate Governance Code.

Separate resolutions will be proposed for the election and each of the re-elections. The Nomination Committee has considered each of the Non-executive Directors seeking election or re-election and concluded that their collective backgrounds, skills, experience, independence and knowledge of the Company enable the Board and its Committees to discharge their respective duties and responsibilities effectively, as detailed in the Corporate Governance Report in the 2018 Report and Accounts. With the exception of the Chairman, Kennedy Bungane and Sizwe Nkosi, the Board has determined that each of the Non-executive Directors is considered to be independent.

Phembani Group Propriety Limited ("Phembani") has a contractual right to nominate a Director for membership of the Company's Board, subject to the recommendation of that individual by the Nomination Committee. Phembani has nominated Sizwe Nkosi, its chief financial officer and a director of Phembani, to join the Company's Board and the Nomination Committee, having considered the nomination, recommends Mr Nkosi for election. Mr Nkosi replaces Mr Bungane as Phembani's nominee to the Board. In response to the Board's request, Mr Bungane has expressed a willingness to remain as a Director of the Company and the Nomination Committee, having considered Mr Bungane's skills, experience and commitment to the Company, recommends his re-election as a Director.

Biographies of each of the Directors seeking re-election can also be found in the 2018 Report and Accounts and are repeated in Appendix 1 to this letter, on pages 4 and 5 of this circular. Appendix 1 to this letter additionally includes a biography of Sizwe Nkosi, who was proposed for election as a Director after the finalisation of the 2018 Report and Accounts.

### Resolution 13: Directors' authority to allot

This resolution authorises the Directors to allot a number of ordinary shares of \$0.0001 each ("Ordinary Shares") equal to approximately 33.3% of the current number of Ordinary Shares in issue. Section 561 of the Companies Act requires that, subject to certain limited exceptions, where Ordinary Shares are to be allotted for cash they must first be offered to existing shareholders on a pre-emptive basis (i.e. pro-rata to their existing holdings). This means that, subject to these exceptions, if the authority is granted, these Ordinary Shares can be allotted in one of two ways:

- the Directors may allot Ordinary Shares for cash, but only on a pre-emptive basis to existing shareholders (e.g. by way of a rights issue or an open offer); or
- the Directors may allot Ordinary Shares for non-cash consideration on either a pre-emptive or non-pre-emptive basis (for example, they could be allotted to a third party in return for assets or shares, subject to the Listing Rules obligations to seek prior shareholder approval of any Class 1 transaction).

At the Company's last AGM on 15 March 2018, the Directors were given the authority to allot Ordinary Shares in the capital of the Company up to a maximum of US\$9,410, representing the nominal value of approximately 33.3% of the Company's then issued Ordinary Share capital.

In recognition of the views of many of the Company's South African institutional shareholders and, in line with the authorities sought at the Company's last six AGMs, the Board has decided not to seek authority to allot shares representing a higher amount than 33.3% notwithstanding the UK guidelines treating authorities up to 66.6% as routine, and will not be seeking to dis-apply statutory pre-emption rights. As a result, the authority sought by Resolution 13 is on the same basis as that granted in prior years, and is limited to Ordinary Shares with an aggregate nominal value of US\$9,410, representing the nominal value of approximately 33.3% of the Company's Ordinary Shares in issue as at 18 February 2019 (the "Issued Share Capital"). The date of 18 February 2019 is the latest date prior to finalisation of this circular (the "Latest Practicable Date") at which we could determine the number of Ordinary Shares in issue. If granted, the authority sought will last until the conclusion of the AGM in 2020, or, if earlier, 25 June 2020.

The Directors have no present intention of exercising this allotment authority. The Directors confirm their intention to follow the provisions of the Pre-emption Group's Statement of Principles regarding cumulative usage of allotment authorities within a rolling three-year period. The Company did not hold any treasury shares on the Latest Practicable Date.

Your Directors believe that the authority sought in Resolution 13 is in the best interests of the Company, and note that it falls within the Investment Association's Share Capital Management Guidelines and it is normal practice for UK companies with premium (primary) listings in London to seek authority to allot at least 33.3% of their share capital.

### Resolution 14: Authority to purchase own shares

Resolution 14 gives the Company authority to buy back its own Ordinary Shares in the market as permitted by the Companies Act.

If adopted, the resolution will authorise the Company to purchase up to 28,200,000 Ordinary Shares, equal to approximately 10% of the Issued Share Capital, subject to the limitations in paragraphs (b) and (c) of the resolution on the maximum and minimum prices that may be paid. The authority will be exercised only if, in the opinion of the Directors, this will result in an increase in earnings per share and would otherwise be in the best interests of the Company.

If this resolution is passed at the AGM, the Company will have the option of holding, as treasury shares, any of its own Ordinary Shares that it purchases pursuant to the authority conferred. No dividends will be paid on Ordinary Shares whilst held in treasury and no voting rights will attach to treasury shares. It is the Company's current intention to hold in treasury any Ordinary Shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and prevailing market conditions, the Directors will need to reassess at the time of any and each actual purchase whether to hold the Ordinary Shares in treasury or cancel them, provided it is permitted to do so and subject to a limit of 10% of the Company's Issued Share Capital being held in treasury.

The Company has not undertaken any purchases of its own Ordinary Shares since the date of the last AGM, but the renewal of the authority is sought to preserve flexibility. The Directors have no present intention of exercising this authority, which will expire at the conclusion of the AGM in 2020 or, if earlier, on 25 June 2020, unless renewed, varied or revoked at that or any earlier general meeting of shareholders.

The full exercise of all options and satisfaction of all awards outstanding under the Company's employee share plans, at the Latest Practicable Date would require the issue of 5,753,753 Ordinary Shares representing 2.03% of the Issued Share Capital and 2.26% (in each case as at the Latest Practicable Date) if the proposed authority to purchase the Company's own Ordinary Shares had been obtained and exercised in full.

#### **Resolution 15: Notice period for general meetings, other than annual general meetings**

Resolution 15 is a resolution to allow the Company to hold general meetings (other than AGMs) on 14 days' notice.

The minimum notice period permitted by the Companies Act for general meetings of the Company (other than AGMs) is 21 days. However, the Companies Act enables listed companies to reduce this period to 14 days (other than for AGMs) provided that two conditions are met. The first condition is that the company offers a facility for shareholders to vote by electronic means. This condition is met if the company offers a facility, accessible to all holders of shares that carry voting rights at general meetings, to appoint a proxy by means of a website. The second condition is that there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 days to 14 days.

Electronic means of voting can be made available to all the Company's registered shareholders. The Board is therefore proposing Resolution 15 as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than AGMs. The approval will be effective until the end of the Company's next AGM, when it is intended that the approval be renewed. The shorter notice period would not be used as a matter of course for such meetings, but considered on a case-by-case basis and used only where the flexibility is merited by the business of the meeting and taking into account the circumstances.

#### **Serious Loss of Capital**

The Company's 2018 financial results show that the value of the Company's net assets continues to be less than half of its called up share capital. As required by the Companies Act 2006, the business of the 2018 AGM included considering whether any, and if so what, steps should be taken to deal with this serious loss of capital. The Board continues to believe that the recommended offer for the Company by Sibanye-Stillwater provides the Company with a comprehensive and sustainable solution to the adverse challenges it faces, including the serious loss of capital.

#### **Proxy form**

The proxy form enclosed with this letter should be completed and returned as soon as possible, but in any event so as to be received:

- in the case of shareholders on the UK register, Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU by 11.00 a.m. (UK time) 21 March 2019; and
- in the case of shareholders on the South African branch register, Link Market Services South Africa (Pty) Limited, P.O. Box 4844, Johannesburg, 2000, South Africa by 1.00 p.m. (SA time) 21 March 2019.

Alternatively, shareholders on the UK register may appoint a proxy electronically by logging on to the website [www.sharevote.co.uk](http://www.sharevote.co.uk). Electronic proxy appointments must also be received by Equiniti no later than 11.00 a.m. (UK time) on 21 March 2019. Holders of uncertificated stock can also lodge votes electronically through CREST – see note 6 on page 7 of this circular.

Shareholders who return a proxy form or give an electronic proxy instruction will still be able to attend and vote in person at the meeting if they so wish.

#### **Directors' recommendation**

The Board considers the above resolutions are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole.

The Directors unanimously recommend that shareholders vote in favour of each of the above resolutions, as they intend to do in respect of their own beneficial shareholdings.

Yours sincerely



**Brian Beamish**  
Chairman

# Appendix 1

## Directors' biographies

**Brian Beamish** (62), Non-executive Chairman  
(British and South African)

Independent: No

Appointed to the Board:  
1 November 2013

**Experience:**

- A former Group Director, Mining and Technology at Anglo American where he worked for 36 years.
- Non-executive director of JSE-listed Anglo American Platinum Limited from May 2010 to 30 September 2013.
- Executive roles included four years as Operations Director of Anglo Platinum as COO and subsequently CEO of Anglo American's global Base Metals business.
- Non-executive Director of Nord Gold SE.

**Skills/qualifications:**

- A graduate in mechanical engineering from Wits University and of the PMD programme at Harvard Business School.
- He has career long experience of the mining industry, largely gained in operational roles in South Africa and latterly in other parts of the world, particularly South America.

**Committees:**

Chairman – Nomination Committee  
Member – Remuneration Committee  
Member – Safety, Health & Environment Committee

**Ben Magara** (51), Chief Executive Officer  
(Zimbabwean)

Independent: No

Appointed to the Board:  
1 July 2013

**Experience:**

- The former Chief Executive Officer of Anglo Coal South Africa and the Executive Head responsible for Engineering and Capital Projects at Anglo Platinum.
- Director of Anglo American South Africa (2006-2013).
- Chairman of Richards Bay Coal Terminal and the Eskom 2008 Coal Working Group.

**Skills/qualifications:**

- A graduate Mining Engineer from the University of Zimbabwe.
- Has attended various management programmes including the Accelerated Development Programme at the London Business School, UK and the AMP at GIBS, SA.
- Extensive mining experience in both underground and surface mining as well as soft and hard rock mining.
- He also has experience in the energy and logistics industries.

**Committees:**

Member – Safety, Health & Environment Committee  
Member – Social, Ethics & Transformation Committee

**Barrie van der Merwe** (43), Chief Financial Officer  
(South African)

Independent: No

Appointed to the Board:  
17 May 2016

**Experience:**

- CFO of Debswana Diamond Company, the world's leading producer of rough diamonds by value and a joint venture between the Botswana government and De Beers, between 2012 and 2015.
- Held several senior financial management positions with Anglo American Plc and Anglo Platinum, spanning 10 years between 2002 and 2012, the most recent being head of finance, reporting directly to Anglo Platinum's then finance director.
- Has held several non-executive directorships, including Morupule Coal Mine Limited between 2013 and 2015 and Wesizwe Platinum Limited between 2013 and 2015.

**Skills/qualifications:**

- A chartered accountant and holds a B Com (Hons) degree in accounting from the University of Pretoria.

**Varda Shine** (55), Non-executive Director  
(British)

Independent: Yes

Appointed to the Board:  
16 February 2015

**Experience:**

- Over a period of 30 years she held several executive level and managerial positions within De Beers Trading Company and Diamdel Israel (De Beers' principal trading subsidiary).
- Served eight years as the CEO of De Beers Trading Company.
- Has held two non-executive positions chairing joint ventures between De Beers and the Botswanan and Namibian governments respectively.
- Non-executive Director of Petra Diamonds and Sarine Technologies.

**Skills/qualifications:**

- Completed the Business Management Programme at Technion, the Israel Institute of Technology and the Advanced Management Programme at Oxford University.

**Committees:**

Chair – Remuneration Committee  
Member – Audit & Risk Committee  
Member – Nomination Committee

**Gillian Fairfield** (47), Non-executive Director  
(British)

**Independent:** Yes

**Appointed to the Board:**  
1 August 2017

**Experience:**

- 20 years' experience in corporate finance, cross-border M&A and corporate law.
- Appointed Head of Corporate Knowledge at Slaughter and May LLP in November 2018.
- Career began as an associate solicitor at Freshfields LLP where she worked for five years before moving to Herbert Smith Freehills LLP for 13 years, spending 9 years as a corporate partner.
- Particular experience in the mining, consumer, technology and pharmaceutical sectors.

**Skills/qualifications:**

- Graduated from Edinburgh University with a Masters in Russian and spent a year of study in the former Soviet Union.
- Admitted to The Law Society in March 1999.

**Committees:**

Member – Remuneration Committee  
Member – Nomination Committee  
Member – Social, Ethics & Transformation Committee

**Kennedy Bungane** (44), Non-executive Director  
(South African)

**Independent:** No

**Appointed to the Board:**  
1 March 2016

**Experience:**

- Appointed Chief Executive Officer of Phembani Group in August 2014. Led the conclusion of the merger of Phembani and the Shanduka effective 11 December 2015.
- Held executive positions at Barclays Africa, responsible for all Barclays and Absa operational and business activities outside South Africa covering thirteen countries in Africa.
- Former chairman of both the UK Incorporated Barclays Africa Limited board and the Barclays Africa Regional Management Executive Committee.

**Skills/qualification:**

- Graduate in Corporate Finance & Investment Finance from University of Natal.
- MBA from the University of Pretoria and of the Advanced Management programme at Harvard Business School.
- Extensive experience in financial services across Africa.

**Committees:**

Chairman – Social, Ethics & Transformation Committee  
Member – Safety, Health & Environment Committee  
Member – Audit & Risk Committee

**Jonathan Leslie** (68), Non-executive Director and Senior Independent Director  
(British)

**Independent:** Yes

**Appointed to the Board:**  
4 June 2009

**Experience:**

- 26 years with Rio Tinto, including nine years' service on its board. His roles at Rio Tinto included Mining Director and Chief Executive of the Copper and later the Diamonds & Gold Product Groups.
- CEO of Sappi, the executive chairman of Nikanor and CEO of Extract Resources Limited.

**Skills/qualifications:**

- Qualified barrister.

**Committees:**

Chairman – Audit & Risk Committee  
Chairman – Safety, Health & Environment Committee  
Member – Nomination Committee  
Member – Remuneration Committee

**Sizwe Nkosi** (43), Non-executive Director  
(South African)

**Independent:** No

**Appointed to the Board:**  
1 March 2019

**Experience:**

- Chief financial officer of Phembani Group
- 15 years' experience in the Mining sector, predominantly in coal, diamonds, phosphates and commodities trading

**Skills/qualifications:**

- Chartered accountant
- MBA in Corporate Finance, Leadership and Entrepreneurship
- Bachelor of Commerce
- Diploma in Accounting
- Certificate in the Theory of Accounting

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Lonmin Plc will be held at 11.00 a.m. (UK time) on 25 March 2019 at 10-11 Carlton House Terrace, London, SW1Y 5AH, United Kingdom. Resolutions 1 to 13 inclusive will be proposed as ordinary resolutions. Resolutions 14 and 15 will be proposed as special resolutions.

## Report and Accounts

1. To receive the audited accounts and the reports of the Directors and auditors for the year ended 30 September 2018.

## Remuneration Report

2. To approve the Directors' Remuneration Report, other than the part containing the Directors' remuneration policy, in the form set out in the Company's Annual Report and Accounts for the year ended 30 September 2018.

## Auditors

3. To reappoint KPMG LLP as the Company's auditors to hold office until the conclusion of the next AGM of the Company.
4. To authorise the Audit & Risk Committee of the Board to agree the auditors' remuneration.

## Directors

5. To re-elect Brian Beamish as a Director of the Company.
6. To re-elect Kennedy Bungane as a Director of the Company.
7. To re-elect Gillian Fairfield as a Director of the Company.
8. To re-elect Jonathan Leslie as a Director of the Company.
9. To re-elect Ben Magara as a Director of the Company.
10. To elect Sizwe Nkosi as a Director of the Company.
11. To re-elect Varda Shine as a Director of the Company.
12. To re-elect Barrie van der Merwe as a Director of the Company.

## Directors' authority to allot

13. That the Directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights") up to an aggregate nominal amount of US\$9,410, provided that this authority shall expire on the date of the next AGM of the Company or, if earlier, on 25 June 2020, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.

## Authority to purchase own shares (proposed as a special resolution)

14. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares on such terms and in such manner as the Directors may from time to time determine provided that:
  - a) the maximum number of Ordinary Shares that may be purchased is 28,200,000;
  - b) the minimum price that may be paid for an Ordinary Share is US\$0.0001;
  - c) the maximum price that may be paid for an Ordinary Share is an amount equal to 105% of the average of the middle-market prices shown in the quotation for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased;
  - d) this authority shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, on 25 June 2020 unless previously renewed, varied or revoked by the Company in general meeting; and
  - e) the Company may enter into a contract to purchase its Ordinary Shares under this authority prior to its expiry, which contract will or may be executed wholly or partly after such expiry, and may purchase its Ordinary Shares in pursuance of any such contract.

## Notice period for general meetings, other than annual general meetings (proposed as a special resolution)

15. That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By order of the Board



**Seema Kamboj**  
Company Secretary

18 February 2019

## Notes

1. Copies of the contracts of service between each Executive Director and the Company and the letters of appointment of the Non-executive Directors setting out the terms and conditions of their appointment are available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) at the Registered Office of the Company. These, together with the register of Directors' interests in the shares of the Company, will be available for inspection on the morning of the AGM at the meeting venue from 9.30 a.m. (UK time) until its conclusion.
2. A member of the Company entitled to attend and vote at the meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of the rights to attend and to speak and vote at the meeting attaching to the shares of the member whom he represents (a "proxy").
3. A form of proxy must be executed by or on behalf of the shareholder making the appointment. A corporation may execute a form of proxy either under its common seal or under the hand of a duly authorised officer. A shareholder may appoint more than one proxy in relation to the same meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him. To appoint more than one proxy, please sign and date the accompanying form of proxy and attach a schedule listing the names and addresses (in block letters) of all of the proxies, the number of shares in respect of which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by the shareholder) and indicating how each proxy should vote or abstain from voting. More than one proxy may not be appointed to exercise the rights attaching to any one share. To appoint the Chairman as one of the multiple proxies, simply write "the Chairman of the Meeting". Where two or more valid appointments of proxy are received in respect of the same shares the one which is last sent shall be treated as replacing and revoking the other.
4. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person"). The rights to appoint a proxy cannot be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
5. A shareholder wishing to appoint a proxy should complete the accompanying form of proxy and return it to Equiniti or Link Market Services (depending on where your shares are registered) as detailed below. The form of proxy is pre-addressed and no envelope is necessary. If you prefer, you may place the form of proxy in an envelope and address it to:
  - The Registrar for Lonmin Plc, Freepost RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, BN99 8LU, United Kingdom, to be received by 11.00 a.m. (UK time) 21 March 2019.
  - Link Market Services, P.O. Box 4844, Johannesburg, 2000, South Africa to be received by 1.00 p.m. (SA time) 21 March 2019.In the event the meeting is adjourned, the form of proxy must be received by not less than 48 hours (excluding any part of a day that is not a working day in the UK) before the time of the adjourned meeting.
6. Alternatively, a shareholder on the UK register may register the appointment of a proxy electronically by logging on to the website [www.sharevote.co.uk](http://www.sharevote.co.uk). Full details of the procedure are given on that website. Electronic proxy appointments must be received by Equiniti no later than 11.00 a.m. (UK time) on 21 March 2019 (or, in the event the meeting is adjourned, by not less than 48 hours (excluding any part of a day that is not a working day in the UK) before the time of the adjourned meeting). The South African proxy card is for use only by members who hold shares in certificated form. Investors whose shares are held in dematerialised form on the South African branch register (with or without "own name" registration) who do not wish to attend the meeting in person but who wish to vote must provide their CSDP or broker with their voting instructions. If such investors wish to attend the meeting, they must request that their CSDP or broker provides them with a letter of representation.
  - (a) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual.



## Notice of Annual General Meeting (continued)

The message regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number – RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (b) CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Members who return a form of proxy or register the appointment of a proxy either by post or electronically will still be able to attend the meeting and vote in person if they so wish.

7. With the exception of members on the South African branch register, members must be registered on the main register of members of the Company by 6.30 p.m. (UK time) on the date which is two days (excluding any part of a day that is not a working day) prior to the meeting or adjourned meeting in order to be entitled to attend and vote at the meeting. Members on the South African branch register must be registered on the branch register by 8.30 p.m. (SA time) on 21 March 2019 or, in the case of an adjourned meeting, by 8.30 p.m. (SA time) on the date which is two days (excluding any part of a day that is not a working day) prior to the adjourned meeting in order to be entitled to attend and vote at the meeting. Changes to entries on either register after these times will be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting or adjourned meeting.
8. The quorum for the meeting will be two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporation which is a shareholder.
9. As at 18 February 2019 (being the latest practicable date prior to the publication of this notice), the Issued Share Capital consists of 282,784,288 Ordinary Shares of US\$0.0001 each, 586,906,900 2015 Deferred Shares of US\$0.999999 each, with no voting rights and 50,000 Sterling Deferred Shares of £1 each, with no voting rights. The total voting rights in the Company are 282,784,288.
10. Since 29 November 2018 (the date of the 2018 Annual Report and Accounts), there have been changes to the Directors' beneficial holdings in Ordinary Shares in the Company. As at 18 February 2019 (being that latest practicable date prior to the publication of this notice), the Directors' beneficial holdings in Ordinary Shares are as follows:

Type of interest and basis of award <sup>1</sup>	Date of Grant	Performance condition <sup>2</sup>	Date to which performance condition measured	During year					As at 18.02.19	Exercise period (ASAP) or vesting date (LTIP)	Face value of award <sup>3</sup> (£)	Percentage of interests receivable if minimum performance achieved
				As at 30.09.17	Granted	Vested and released	Lapsed	As at 18.02.19				
<b>Ben Magara</b>												
LTIP	18.12.14	(a)	31.07.17	18,858	–	–	18,858	–	–	–	–	
LTIP	13.04.17	(b)	13.04.20	597,015	–	–	–	597,015	13.04.22	577,690	10%	
ASAP	09.12.13	(c)	n/a	2,622	–	–	–	2,622	09.12.16 to 09.12.23	100,737	n/a	
ASAP	10.01.17	(c)	n/a	240,027	–	–	–	240,027	10.01.20 to 10.01.27	348,850	n/a	
ASAP	27.03.18	(c)	n/a	–	370,994	–	–	370,994	27.03.21 to 27.03.28	233,467	n/a	
ASAP	12.12.18	(c)	n/a	–	924,621	–	–	924,621	12.12.21 to 12.12.28	412,566	n/a	
	–	–	–	858,522	1,295,615	–	18,858	2,135,279	–	1,673,310	–	
<b>Barrie van der Merwe</b>												
LTIP	13.04.17	(b)	13.04.20	317,792	–	–	–	317,792	13.04.22	307,505	10%	
ASAP	10.01.17	(c)	n/a	51,932	–	–	–	51,932	10.01.20 to 10.01.27	75,477	n/a	
ASAP	27.03.18	(c)	n/a	–	193,831	–	–	193,831	27.03.21 to 27.03.28	121,978	n/a	
ASAP	12.12.18	(c)	n/a	–	458,780	–	–	458,780	12.12.21 to 12.12.28	204,708	n/a	
	–	–	–	369,724	652,611	–	–	1,022,335	–	709,668	–	

1. Key to plans:
  - LTIP = nil cost restricted share awards granted under the Long Term Incentive Plan (see page 94);
  - ASAP = nil cost options granted under the Annual Share Award Plan (see page 94).
2. Key to performance conditions:
  - a. Average of the corporate element of the BSC of three financial years and RTSR compared to PGM peers over same three year period. Awards vest in year 3;
  - b. Two independently tested conditions comprising TSR relative to comparator group and CROIC tested over same three year period. Awards vest in year 3 and shares are released in tranches of one-third in years 3, 4 and 5;
  - c. No performance condition and vesting subject to continued service during three year vesting period. Options can be exercised in years 3 to 10.
3. Face value has been calculated in GBP using the average of the closing mid-market share price of Lonmin shares trading on the LSE during the following periods (the price below is adjusted for the 2015 Rights Issue where relevant):

Date of Grant	Plan	Date range	Price (£)
18.12.14	LTIP	20 dealing days ending 08.12.14	21.9426
13.04.17	LTIP	20 dealing days ending 12.04.17	0.96763
09.12.13	ASAP	20 dealing days ending 06.12.13	38.4198
10.01.17	ASAP	20 dealing days ending 09.01.17	1.45338
27.03.18	ASAP	20 dealing days ending 26.03.18	0.62930
12.12.18	ASAP	20 dealing days ending 11.12.18	0.44620

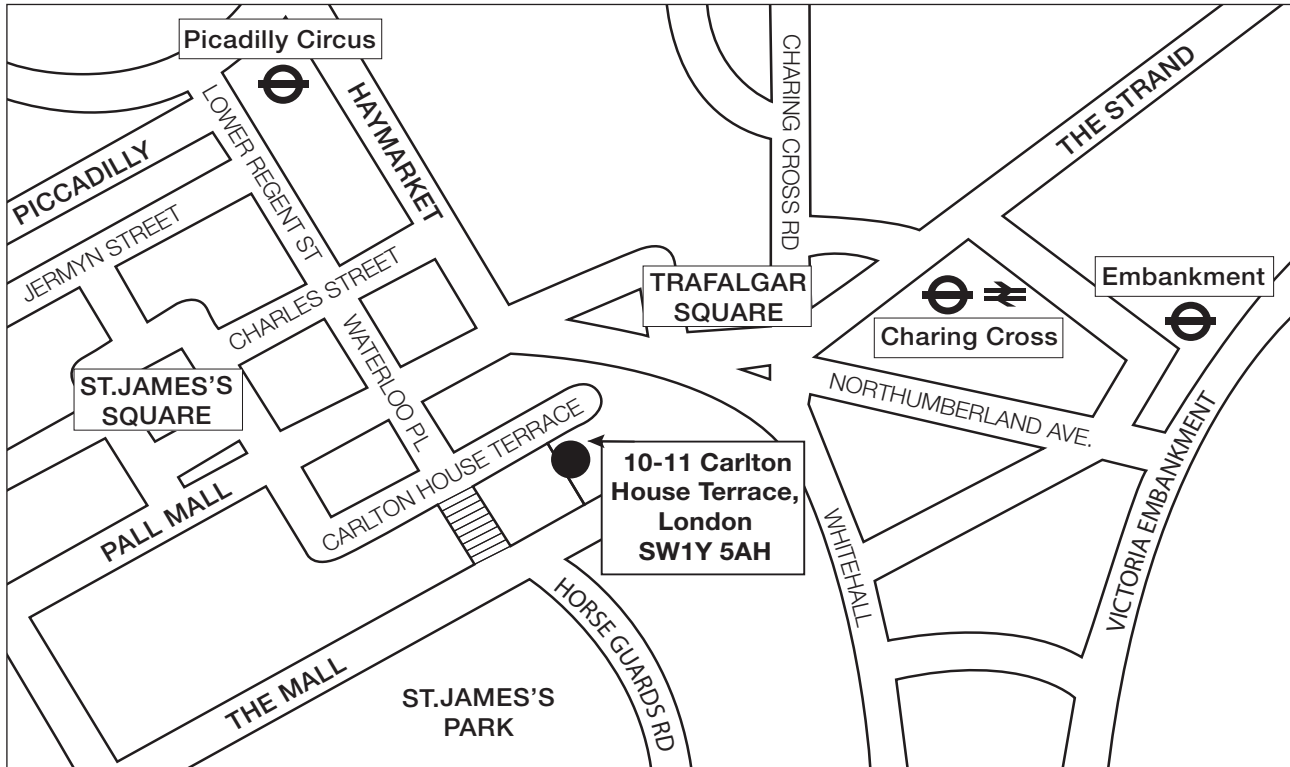
11. Since 29 November 2018 and up to 18 February 2019, the Company has not received any notifications in accordance with Rule 5 of the Disclosure and Transparency Rules.
12. The contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the meeting, the total voting rights that members are entitled to exercise at the meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website: [www.lonmin.com](http://www.lonmin.com).
13. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website.
14. The Company must cause to be answered at the meeting any question relating to the business being dealt with at the meeting which is put by a member attending the meeting, except (i) if to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) if the answer has already been given on a website in the form of an answer to a question, or (iii) if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
15. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
16. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.
17. Light refreshments will be provided before and after the meeting.

# Location of Annual General Meeting

25 March 2019 at 11.00 a.m. (UK time)

## Annual General Meeting

10-11 Carlton House Terrace, London SW1Y 5AH, United Kingdom (entry through no. 11)



### How to get to 10-11 Carlton House Terrace

10-11 Carlton House Terrace is situated in the heart of central London. Its central and convenient location means that there are a range of different transport links available:

#### By Underground

Piccadilly Circus and Charing Cross stations are only a 5 minute walk away. Embankment and Leicester Square tube stations are both no more than a 10 minute walk away.

#### By Bus

There are a variety of bus routes that stop close by in Trafalgar Square, Haymarket and Lower Regent Street.

#### By Train

Charing Cross station is a short walk away. Waterloo is just 7 minutes by tube.

#### Car Parks

The nearest NCP car park is close by in Spring Gardens, Trafalgar Square.