

# Sibanye-Stillwater restructures Lonmin B-BBEE arrangement

Sibanye-Stillwater has restructured the heavily indebted broad-based black economic empowerment (B-BBEE) structure it inherited when it bought Lonmin in 2019.



Marikana mine. Image: Sibanye-Stillwater

The restructuring relates to the B-BBEE shareholding in Marikana, comprising Western Platinum Proprietary Limited (WPL) and Eastern Platinum Limited (EPL), aimed at ensuring sustainability and realising value to the B-BBEE shareholders.

Sibanye-Stillwater started engaging with Phembani Group Proprietary Limited ("Phembani") (which inherited its participation in the Marikana B-BBEE structure in December 2015, as part of a larger non-related transaction) and the other Marikana B-BBEE shareholders after acquiring Lonmin.

The restructuring has been implemented to facilitate:

- Access for the Marikana B-BBEE shareholders to distributable Marikana dividends in the short and medium term through the introduction of a 10% trickle dividend while any intercompany debt is outstanding. Thereafter, the Marikana B-BBEE shareholders will participate fully in their attributable portion of Marikana's dividends
- The longer-term accruing of value to the Marikana B-BBEE shareholders through
  - The release of Incwala Platinum Proprietary Limited to repay the loans made to it by WPL
  - The replacement of historical debt with a more affordable preference share arrangement
- The creation of a sustainable B-BBEE financing structure for Marikana which is consistent with Sibanye-Stillwater's transformation objectives