

Resource Statement





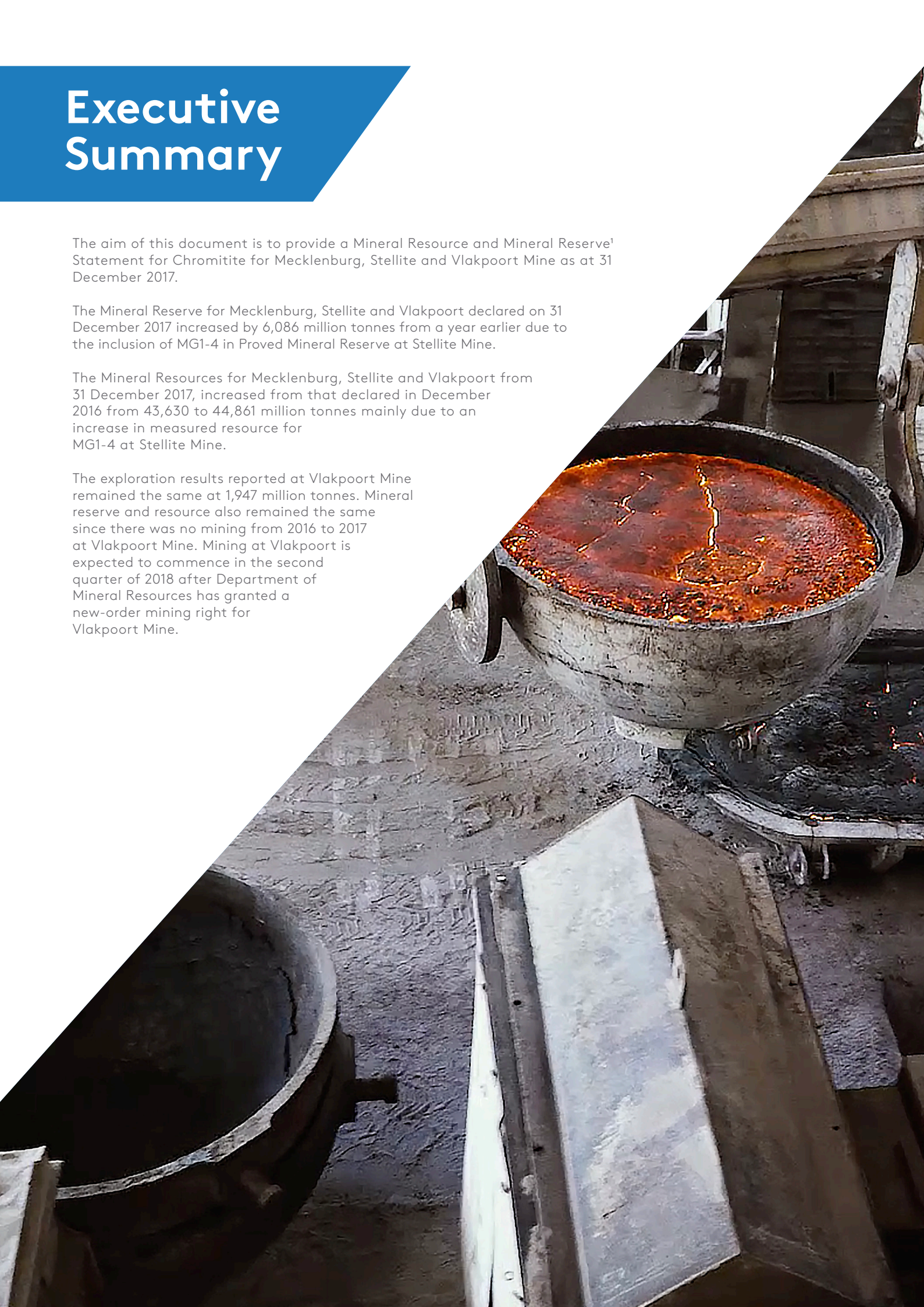
Executive Summary

The aim of this document is to provide a Mineral Resource and Mineral Reserve¹ Statement for Chromitite for Mecklenburg, Stellite and Vlakpoort Mine as at 31 December 2017.

The Mineral Reserve for Mecklenburg, Stellite and Vlakpoort declared on 31 December 2017 increased by 6,086 million tonnes from a year earlier due to the inclusion of MG1-4 in Proved Mineral Reserve at Stellite Mine.

The Mineral Resources for Mecklenburg, Stellite and Vlakpoort from 31 December 2017, increased from that declared in December 2016 from 43,630 to 44,861 million tonnes mainly due to an increase in measured resource for MG1-4 at Stellite Mine.

The exploration results reported at Vlakpoort Mine remained the same at 1,947 million tonnes. Mineral reserve and resource also remained the same since there was no mining from 2016 to 2017 at Vlakpoort Mine. Mining at Vlakpoort is expected to commence in the second quarter of 2018 after Department of Mineral Resources has granted a new-order mining right for Vlakpoort Mine.



STELLITE MINE

Mineral Reserves (ROM Feed numbers)				Mineral Resources (Geological Losses Applied)			
	Tonnage (kt)	Cr ₂ O ₃ (%)	Cr:Fe ratio		Tonnage (kt)	Cr ₂ O ₃ (%)	Cr:Fe ratio
PROVED:				MEASURED:			
Stellite: Tailings				Stellite: Tailings			
LG6-MG4	700	24.10	1.14	LG6-MG4	700	24.10	1.14
Stellite: Underground				Stellite: Underground			
MG4				MG4	1,211	33.59	1.24
LG6	2,702	34.98	1.36	LG6	4,222	37.70	1.41
Stellite: Open Pit				Stellite: Open Pit			
MG4	1,450	30.39	1.20	MG4	1696	31.86	1.22
MG3	674	30.64	1.18	MG3	788	31.68	1.19
MG2	346	35.98	1.32	MG2	405	37.20	1.32
MG1	598	37.72	1.40	MG1	700	39.00	1.40
LG6+6A	103	33.68	1.37	LG6+6A	120	38.11	1.46
Total Proved	6,573	32.65	1.28	Total Indicated	9,842	34.82	1.32
PROBABLE:				INDICATED:			
Stellite: Underground				Stellite: Underground			
MG4	262	32.69	1.22	MG4	306	33.80	1.25
LG6	3,628	34.26	1.38	LG6	4,243	37.50	1.41
Stellite: Open Pit				Stellite: Open Pit			
MG4	3,015	30.75	1.20	MG4	3526	32.35	1.23
MG3	1,276	30.82	1.16	MG3	1492	31.68	1.19
MG2	948	36.08	1.28	MG2	1109	37.30	1.31
MG1	1,914	37.53	1.38	MG1	2239	38.80	1.41
LG6+6A	239	33.88	1.43	LG6+6A	280	38.54	1.46
Total Probable	11,020	33.62	1.30	Total Indicated	13,195	35.61	1.33
Proved & Probable Reserves	17,593	33.25	1.29	Measured & Indicated Resources	23,037	35.27	1.32
				MEASURED:			
				Stellite: Open Pit			
				MG4	1,440	33.18	1.24
				MG3	2,110	32.64	1.26
				MG2	1,920	37.10	1.32
				MG1	1,070	38.90	1.41
				LG6+6A	40	37.82	1.44
				Inferred Resources			
					6,580	35.11	1.30
Total Reserves	17,593	33.25	1.29	Total Resources	29,617	35.23	1.32

The Mineral Reserve for Stellite declared in 31 December 2017 increased from 28,319 to 29,617 million tonnes as those declared in December 2016 mainly due to increase and inclusion of MG1-4 proved probable Mineral Reserve. Stellite tailings LG6-MG4 tailings mineral reserve and resource decreased from 0,732 to 0,700 tons whereas the chrome grade and Cr to Fe ratio remained the same at 24,10 % and 1,14 respectively

The Mineral Resources for Stellite declared for open-Pit (170 m high-wall) as 31 December 2017, increase from that declared in December 2016 from 28 318 to 29 617 million tonnes mainly due to increase in inferred Mineral Resource.

MECKLENBURG MINE

The Mineral Reserve for Mecklenburg underground declared in 31 December 2017 remained the same at 7.2 million tonnes as those declared in December 2016. No underground mining was conducted during 2017.

The Mineral Resources for Mecklenburg declared for open-Pit (65m high-wall) as 31 December 2017, decreased from that declared in December 2016 from 0, 32 to 0, 25 million tonnes mainly due to depletion.

Mineral Reserves (ROM Feed numbers)			Mineral Resources (Geological Losses Applied)					
Tonnage (kt)	Cr ₂ O ₃ (%)	Cr:Fe ratio	Tonnage (kt)	Cr ₂ O ₃ (%)	Cr:Fe ratio			
PROVED:			MEASURED:					
Mecklenburg; Underground			Mecklenburg; Underground					
LG6+6A	2,682	41.85	1.57	LG6+6A	4,190	43.36	1.59	
Mecklenburg; Open Pit			Mecklenburg; Open Pit					
LG6+6A	214	40.76	1.58	LG6+6A	250	44.10	1.64	
Total Proved	2,895	41.77	1.57	Total Indicated	13,195	35.61	1.33	
PROBABLE:			INDICATED:					
Mecklenburg; Underground			Mecklenburg; Underground					
LG6+6A	1,924	41.83	1.57	LG6+6A	3,006	43.37	1.59	
Mecklenburg; Open Pit			Mecklenburg; Open Pit					
LG6+6A	-			LG6+6A	0			
Total Probable	1,924	41.83	1.57	Total Indicated	3,006	43.37	1.59	
Proved & Probable Reserves	4,819	41.79	1.57	Measured & Indicated Resources	13,195	35.61	1.33	
			Mecklenburg; Underground					
			LG6+6A			1,142	43.41	1.59
			Mecklenburg; Open Pit					
			LG6+6A			0		
			Inferred Resources			1,142	43.41	1.59
			Total Resources (Excl Exploration Results)			8,588	43.39	1.59
Total Reserves	4,819	41.79	1.57					

VLAKPOORT MINE

The Mineral Reserve and Mineral Resource for Vlakpoort declared in 31 December 2017 remained the same at 20,390 and 33,595 million tonnes respectively as those declared in December 2016. No underground or open-cast mining was conducted during 2017.

Open-cast mining has been scheduled in the second quarter of 2018.

Mineral Reserves (ROM Feed numbers)				Mineral Resources (Geological Losses Applied)			
Tonnage (kt)		Cr ₂ O ₃ (%)	Cr:Fe ratio	Tonnage (kt)		Cr ₂ O ₃ (%)	Cr:Fe ratio
PROVED:				MEASURED:			
Vlakpoort; Open Pit				Vlakpoort; Open Pit			
LG1-3	23	37.30	1.74	LG1-3	32	41.57	1.82
LG5	18	39.12	1.52	LG5	42	38.77	1.55
LG6	65	36.72	1.51	LG6	151	36.85	1.53
MG1-4	52	29.72	1.25	MG1-4	131	30.01	1.29
UG1-2	101	22.40	1.14	UG1-UG2	164	21.46	1.12
Vlakpoort: Underground				Vlakpoort: Underground			
LG6				LG6	398	33.32	1.59
UG2				UG2	754	19.65	1.06
Total Proved				Total Measured			
	259	29.95	1.33		1,672	26.35	1.28
PROBABLE:				INDICATED:			
Vlakpoort; Open Pit				Vlakpoort; Open Pit			
LG1-3	40	37.93	1.78	LG1-3	53	41.57	1.86
LG5	3	35.01	1.45	LG5	10	39.92	1.55
LG6	37	31.25	1.63	LG6	64	33.95	1.58
MG1-4	16	30.52	1.36	MG1-4	75	29.92	1.35
UG1-2	9	27.09	1.22	UG1-UG2	24	27.61	1.25
Vlakpoort; Underground				Vlakpoort; Underground			
LG6				LG6	793	33.92	1.58
UG2				UG2	421	19.83	1.06
Total Probable				Total Indicated			
	105	33.43	1.61		1,440	29.81	1.42
Proved & Probable Reserves				Measured & Indicated Resources			
	364	30.95	1.41		3,112	27.95	1.34

INFERRED				
Vlakpoort; Open Pit				
	LG1-3	41	41.55	1.79
	LG5			
	LG6	1	33.49	1.59
	MG1-4	119	28.61	1.30
	UG1-UG2			
Vlakpoort; Underground				
	LG6	1,321	33.67	1.59
	UG2	115	20.27	1.08
	Inferred Resources	1,597	32.53	1.54
Total Reserves	364	30.95	1.41	Total Resources (Excl Exploration Results²)
				4,709
				29.50
				1.41
Exploration Results				
Vlakpoort; Underground				
	LG6	1,243	34.16	1.60
	UG2			
Vlakpoort; Open Pit				
	LG1	10	38.35	1.70
	LG2	7	33.51	1.75
	LG3	33	38.73	2.01
	LG5			
	LG6	365	33.55	1.60
	MG1	20	39.73	2.09
	MG2			
	MG3	5	27.47	1.21
	MG4+4A	264	29.70	1.23
	UG1			
	UG2			
	Exploration Results	1,947	33.58	1.56
	Total (Incl Exploration Results)	6,656	30.70	1.45

COMBINED MINERAL RESOURCE AND RESERVE STATEMENT VLAKPOORT MINE

Mineral Reserves (ROM Feed numbers)				Mineral Resources (Geological Losses Applied)			
	Tonnage (kt)	2E+AU (g/t)	Ozs		Tonnage (kt)	2E+AU (g/t)	Ozs
PROVED:				MEASURED:			
Stellite: Tailings				Stellite: Tailings			
LG6-MG4	700	24.10	1.14	LG6-MG4	700	24.10	1.14
Stellite: Underground				Stellite: Underground			
MG4				MG4	1211	33.59	1.24
LG6	2,702	34.98	1.36	LG6	4222	37.70	1.41
Stellite: Open Pit				Stellite: Open Pit			
MG4	1,450	30.39	1.20	MG4	1696	31.86	1.22
MG3	674	30.64	1.18	MG3	788	31.68	1.19
MG2	346			MG2	405	37.20	1.32
MG1	598			MG1	700	39.00	1.40
LG6+6A	103	33.68	1.37	LG6+6A	120	38.11	1.46
Mecklenburg: Underground				Mecklenburg: Underground			
LG6+6A	2682	41.85	1.57	LG6+6A	4,190	43.36	1.59
Mecklenburg: Open Pit				Mecklenburg: Open Pit			
LG6+6A	214	40.76	1.58	LG6+6A	250	44.10	1.64
Vlakpoort: Open Pit				Vlakpoort: Open Pit			
LG1-3	23	37.30	1.74	LG1-3	32	41.57	1.82
LG5	18	39.12	1.52	LG5	42	38.77	1.55
LG6	65	36.72	1.51	LG6	151	36.85	1.53
MG1-4	52	29.72	1.25	MG1-4	131	30.01	1.29
UG1-MR	101	22.40	1.14	UG1-MR	164	21.46	1.12
Vlakpoort: Underground				Vlakpoort: Underground			
LG6				LG6	398	33.32	1.59
UG2				UG2	754	19.65	1.06
Total				Total			
Total Proved	9,728	31.69	1.24	Measured	15,954	36.32	1.39
PROBABLE:				INDICATED:			
Stellite: Underground				Stellite: Underground			
MG4				MG4	306	33.80	1.25
LG6	1,241	34.26	1.35	LG6	4,243	37.50	1.41
Stellite: Open Pit				Stellite: Open Pit			
MG4	3,015	30.75	1.20	MG4	3,526	32.35	1.23
MG3	1,276	30.82	1.16	MG3	1,492	31.68	1.19
MG2	948	36.08	1.28	MG2	1,109	37.30	1.31
MG1	1,914	37.53	1.38	MG1	2,239	38.80	1.41
LG6+6A	239	33.88	1.43	LG6+6A	280	38.54	1.46

Mecklenburg: Underground				Mecklenburg: Underground			
LG6+6A	1,924	41.83	1.57	LG6+6A	3,006	43.37	1.59
Mecklenburg: Open Pit				Mecklenburg: Open Pit			
LG6+6A	-			LG6+6A	0	0.00	0.00
Vlakpoort: Open Pit				Vlakpoort: Open Pit			
LG1-3	40	37.93	1.78	LG1-3	53	41.57	1.86
LG5	3	35.01	1.45	LG5	10	39.92	1.55
LG6	37	31.25	1.63	LG6	64	33.95	1.58
MG1-4	16	30.52	1.36	MG1-4	75	29.92	1.35
UG1-2	9	27.09	1.22	UG1-2	24	27.61	1.25
Vlakpoort: Underground				Vlakpoort: Underground			
LG6				LG6	793	33.92	1.58
UG2				UG2	421	19.83	1.06
Total Proved				Total Indicated			
	10,662	34.95	1.33		17,641	36.46	1.38
Proved & Probable Reserves				Measured & Indicated Resources			
	20,390	33.40	1.28		33,595	36.39	1.38
INFERRED							
Stellite: Open Pit							
MG4				1,440		33.18	1.24
MG3				2,110		32.64	1.26
MG2				1,920		37.10	1.32
MG1				1,070		38.90	1.41
LG6+6A				40		37.82	1.44
Mecklenburg: Underground							
LG6+6A				1,142		43.41	1.59
Mecklenburg: Open Pit							
LG6+6A							
Vlakpoort: Open Pit							
LG1-3				41		41.55	1.79
LG5							
LG6				1		33.49	1.59
MG1-4				119		28.61	1.30
UG1-MR							
Vlakpoort: Underground							
LG6				1,321		33.67	1.59
UG2				115		20.27	1.08
Total Reserves				Inferred Resources			
	20,390	33.40	1.28		9,319	35.68	1.38
Total Reserves				Total Resources (Excl Exploration Results)			
	20,390	33.40	1.28		42,914	36.24	1.38

Exploration Results			
Vlakpoort: Underground			
LG6	1,243	34.16	1.60
UG2			
Vlakpoort: Open Pit			
LG1	10	38.35	1.70
LG2	7	33.51	1.75
LG3	33	38.73	2.01
LG5			
LG6	365	33.55	1.60
MG1	20	39.73	2.09
MG2			
MG3	5	27.47	1.21
MG4+4A	264	29.70	1.23
UG1	-		
UG2	-		
Exploration Results	1,947	33.58	1.56
Total (Incl Exploration Results)	44,861	36.12	1.39

HISTORICAL INFORMATION

The information in this statement that relates to Exploration Results and Mineral Resources is based on the Mineral reserve and resource report and information compiled by Hermanus Berhardus Swart, a Competent Person who is a Professional Natural Scientist registered with South African Council for Natural Scientific Professions accredited (No. 400101/00) and a Member of the Geological Society of South Africa, each of which is a "Recognised Professional Organisation" (RPO) that is included in a list that is posted on the ASX website from time to time. Hermanus Berhardus Swart, the Competent Person is employed by Dunrose Trading 186 (PTY) Ltd trading as Shango Solutions, which provides services as geological consultants. The Competent Person has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC), the 2001 Code for reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves in the United Kingdom, Ireland and Europe (IMMM) as well as the 2007 edition of the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC). The Competent Person consents to the inclusion of the matters based on his information in the form and context in which it appears.

COMPETENT PERSONS

The information in this statement that relates to Exploration Results and Mineral Resources is based on the Mineral reserve and resource report and information compiled by:

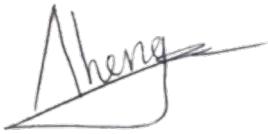
1. Daniel Thenga:

Senior Geologist, Afarak SA Mining, Pr.Sci.Nat (reg nr: 114738), BSc Hons (Mining & Geology, Blasting Cert, MGSSA

2. Cuan Berner Kloppers:

Executive Consulting Geologist, Pr.Sci.Nat (reg no:400092/04), EDP/MBA (UNISA SBL), NDip (Geology), NHDip, Geotechnology, MTech Research (Industrial Minerals), MGSSA, MSAAG, MSAQS

Both the people named above are Competent Persons who are both Professional Natural Scientists registered with South African Council for Natural Scientific Professions accredited and Members of the Geological Society of South Africa, each of which is a "Recognized Professional Organisation" (RPO) that is included in a list that is posted on the ASX website from time to time. Both the Competent Persons, listed above, has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC), the 2001 Code for reporting of Mineral Exploration Results, Mineral Resources and Mineral Reserves in the United Kingdom, Ireland and Europe (IMMM) as well as the 2007 edition of the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC). The Competent Persons consents to the inclusion of the matters based on his information in the form and context in which it appears.

A handwritten signature in black ink, appearing to read 'Thenga', with a long horizontal stroke extending to the right.

Daniel Thenga

A handwritten signature in black ink, appearing to read 'Cuan Kloppers', with a stylized, cursive script.

Cuan Kloppers

