

FSCA Press Release

23 May 2025

Statement on Mantengu Mining Limited

The Financial Sector Conduct Authority (FSCA) has concluded its investigation into the alleged prohibited trading practices (commonly referred to as price manipulation) in the shares of Mantengu Mining Limited (Mantengu). The investigation focused on possible contraventions of Section 80 of the Financial Markets Act 19 of 2012 and no evidence was found to support the allegations of price manipulation. In the result, the Authority will not be taking any enforcement action regarding the aspects covered in the investigation.

On 19 February 2024 Mantengu informed the media that it had reported to the JSE Limited and the FSCA that a certain group of individuals were involved in the manipulation of the company's share price. Mantengu further claimed that the FSCA had found a *prima facie* case warranting further investigation.

The FSCA wishes to clarify that claims that it found a *prima facie* case for further investigation are incorrect. The Authority received a complaint from Mantengu alleging prohibited trading practices and insider trading. Given the serious nature of the allegations and because they (in their untested form) met the threshold of reasonable suspicion, the FSCA considered it prudent to initiate an investigation.

The significant public interest in this matter warrants the FSCA to provide the following information regarding the investigation:

1. In the initial complaint received from Mantengu, it identified specific transactions and orders placed in January 2024, which it believed constituted prohibited trading practices by a group of people intending to manipulate its share price downwards.
2. Subsequently, Mantengu provided further details of additional transactions and orders which it believed were also prohibited trading practices by the same consortium. The last transactions and orders considered in the investigation were those that Mantengu had identified as manipulative transactions and orders that occurred on 16 August 2024.
3. After a thorough investigation, the FSCA concluded that the transactions and orders identified by Mantengu were lawful securities transactions in the ordinary course of business.

Executive Committee:

Commissioner: U. Kamlana | **Deputy Commissioners:** A. Ludin | K. Gibson | F. Badat

4. With regard to the allegations of naked short selling of 387 044 Mantengu shares during the first week of June 2024, the Authority concluded that the transactions did not amount to uncovered short sales.

The FSCA has also noted media reports indicating that Mantengu has laid criminal charges against the JSE and some of its staff. Regarding the specific transactions investigated by the FSCA, the Authority found no reason to suspect improper conduct by the JSE or any of its officials. Should the relevant enforcement authorities decide to investigate the criminal complaint(s), the FSCA will provide its full support and cooperation.

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