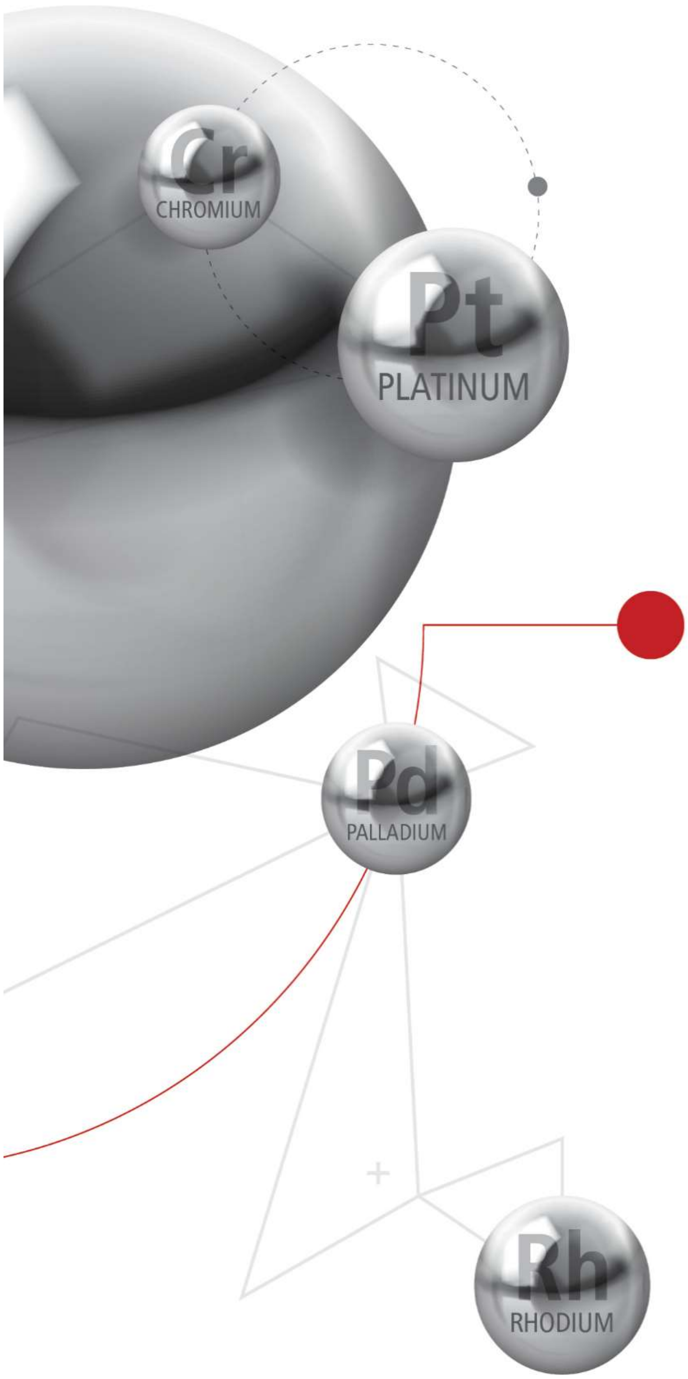
tharisa



REPORTS AND

CONSOLIDATED FINANCIAL STATEMENTS

30 September 2024

enriching lives through innovating the resources company of the future

tharisa plc

CONTENTS

MANAGEMENT REPORT
for the year ended 30 September 2024

The Board of Directors of Tharisa plc ('the Company' or 'Tharisa') presents to the Members its management report together with the audited consolidated financial statements of the Company and its subsidiaries (together with the Company, 'the Group') and the separate financial statements of the Company for the year ended 30 September 2024.

The Company is a Cypriot incorporated public company with a primary listing on the main board of the Johannesburg Stock Exchange, a secondary standard listing on the main board of the London Stock Exchange and a secondary listing on the A2X Exchange in South Africa. The Group's consolidated financial statements and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the Listings Requirements of the Johannesburg Stock Exchange and the requirements of the Cyprus Companies Law, Cap. 113.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of an investment holding company with controlling interests in platinum group metals ('PGM') and chrome mining & processing and associated sales and logistics operations. The principal activity remains unchanged from the previous year. Its major investment is its wholly-owned subsidiary, Tharisa Minerals Proprietary Limited ('Tharisa Minerals'). Tharisa Minerals owns and operates the Tharisa Mine, an open pit PGM and chrome mine located in the Bushveld Complex of South Africa. In addition, the Company has a 76.22% shareholding in Karo Mining Holdings plc ('Karo Mining') which has an indirect 85% interest in a development stage PGM asset, located on the Great Dyke in Zimbabwe.

OPERATIONAL REVIEW

Operational highlights

- Lost Time Injury Frequency Rate ('LTIFR') of 0.00 per 200 000-man hours worked
- Chrome production at 1 702.6 kt (FY2023: 1 580.1 kt)
  - Average metallurgical grade chrome concentrate prices up 13.7% at US$299/t (FY2023: US$263/t)
- PGM production at 145.1 koz (FY2023: 144.7 koz)
  - Average PGM basket price retreated by 28.1% with average prices received at US$1 362/oz (FY2023: US$1 893/oz)
- Group cash on hand of US$223.7 million (including restricted bank deposit) with debt of US$106.2 million, resulting in a net cash position of US$117.5 million
- Production guidance for FY2025 is set between 140 koz and 160 koz PGMs (6E basis) and 1.65 Mt to 1.8 Mt of chrome concentrates

THARISA MINERALS

Tharisa Minerals is 100% owned by Tharisa and is uniquely positioned as a significant co-producer of PGMs and chrome concentrates. Tharisa Minerals' core asset is the Tharisa Mine, situated on South Africa's western limb of the Bushveld Complex and home to more than 70% of the world's platinum and chrome resources.

Tharisa Minerals mines and processes five MG chromitite layers. The mined reef is processed through innovative engineering at two independent processing plants, extracting PGMs and chrome concentrates. This combined co-product output reduces unit costs and positions Tharisa Minerals in the lower cost quartile of operating costs in South Africa for both PGMs and chrome concentrates. Tharisa Minerals' low unit costs, operating flexibility and multiple polymetallic products have ensured that it is well placed to manage commodity price and exchange rate volatility. Its dual revenue streams provide a natural hedge against different commodity cycles with the products used in various applications.

The Tharisa Mine remains a world-class, long-life asset that underpins our business and will continue to provide a sustainable, low-cost platform for multiple generations to come.

Mining operations

Tharisa Minerals holds a Mining Right over 5 475 ha of land near the town of Rustenburg in the North West province of South Africa. The Mining Right was granted on 19 September 2008 for an initial period of 30 years, providing access to MG chromitite layers, which outcrop with a strike length of approximately 5 km. The open pit is divided into the east, west and far west pits and extracts reef mainly from five MG chromitite layers.

Processing

Tharisa Minerals' two independent processing plants are designed to treat the MG chromitite layers of the Bushveld Complex. The smaller volume Genesis Plant was commissioned in August 2011, with the PGM circuit in December 2011. The larger-volume Voyager Plant was commissioned in December 2012. Both plants operate above nameplate capacity following various upgrades and milled 5.6 Mt (2023: 5.4 Mt). The plants have a similar process flow that includes crushing and grinding, primary removal of chrome concentrate by spirals, followed by PGM flotation from the chrome tails and a second spiral recovery of chrome from PGM tails.

Operating in parallel, the separate plants provide processing flexibility and production stability by allowing one plant to be shut down without hampering the production of the other. The modular design of the processing circuits will enable sections of the plant to be stopped without affecting the rest of the operation (i.e. a crushing circuit can be stopped independently of the milling, spiral and flotation circuits).

The PGMs in the MG ore mined by Tharisa Minerals occur in the silicates. They are not associated with chromite, thus enabling the process of extracting chrome before PGMs without sacrificing PGM recovery. This lowers the chrome content in the PGM circuit, resulting in much lower chrome content in the PGM concentrate compared to typical UG2 operations. Base metal content in the MGs is also significantly lower than in Merensky and UG2 ores, resulting in a low matte pull during smelting, reducing base metal refining requirements.

Using off-the-shelf technology, the Genesis and Voyager processing plants are uniquely engineered to produce PGM and chrome concentrates. This innovative approach to production has made Tharisa a world-class PGM and chrome concentrate co-producer.

A third high-volume plant, the Vulcan Plant, was commissioned in FY2021. The plant, which processes live tailings produced by the Voyager and Genesis plants, ensures further beneficiation of the Company's chrome production at the Tharisa Mine while reducing the unit output of carbon emissions.

The Vulcan Plant is the first large-scale plant to produce chrome concentrates from ultra-fines, consolidating Tharisa's position as a key chrome producer. The concept of Vulcan was developed entirely in-house by the research and development (R&D) team to extract the ultra-fine chrome from tailings.

Specialty chrome recovery circuits are integrated into the feed circuit of the Genesis Plant, known as the Challenger Plant. The Challenger Plant, owned by fellow subsidiary Arxo Metals Proprietary Limited ('Arxo Metals'), was commissioned in July 2013 and produces chemical and foundry-grade chrome concentrates, significantly adding to the revenue diversification strategy of Tharisa.

Products

Average market prices

		Year ended 30 Sep 2024	Year ended 30 Sep 2023	Year on year movement %
Platinum	US$/oz	**942**	981	(3.9)
Palladium	US$/oz	**1 002**	1 594	(37.1)
Rhodium	US$/oz	**4 467**	8 992	(50.3)
42% metallurgical chrome concentrate	US$/t CIF China	**299**	263	13.6

PGM concentrate:

PGM concentrate is produced from both processing facilities. The concentrate produced from the Voyager Plant is of a higher grade than the concentrate from the Genesis Plant due to the different chromitite reefs treated by the respective plants. The major component of the PGMs is platinum, followed by palladium and rhodium, as measured by volume.

Metallurgical grade chrome concentrate

The typical metallurgical grade Tharisa produces is 40.0% to 42.0% chrome (as Cr_2O_3) with the silica (SiO_2) lower than 5.0%.

Chemical-grade chrome concentrate

The typical chemical grade produced by Tharisa is 44.0% to 46.0% Cr_2O_3, with the SiO_2 lower than 1.0%. This is a higher-value chromite product than the metallurgical grade chrome concentrate.

Foundry-grade chrome concentrate

The typical foundry grade produced by Tharisa is 45.0% to 46.0% Cr_2O_3, with the SiO_2 lower than 1.0%. The American Foundryman Society Grain Fineness number (AFS number) is managed between 45 and 50. As with the chemical-grade chromite, this is a higher-value chrome concentrate than the metallurgical-grade chrome concentrate.

ARXO METALS: research and beneficiation

Arxo Metals is the beneficiation, research and development arm of the Group. Arxo Metals conducts extensive research into technologies and downstream beneficiation opportunities that can potentially improve yields and recoveries at the Tharisa Mine. Its core focus is creating increased value for PGM and chrome products through expanding and optimising the Group's processing operations. This is in line with Tharisa's business philosophy and ethos focused on maximising the economic value of the commodities it mines, and as such the Company beneficiates its chrome into various products. The production of PGM alloys, and now chrome alloys, are vital cogs in creating the circularity the Company strives for when beneficiating its commodities.

Arxo Metals owns the Challenger Plant, which is integrated into Tharisa Minerals' Genesis Plant. The Challenger Plant is dedicated to producing chemical-grade and foundry-grade concentrates. Specialty-grade concentrates carry more stringent specifications and, therefore, fetch a higher selling price. Arxo Metals has an offtake agreement to sell its concentrates to customers globally in the chemical and foundry industries. Arxo Metals produced 77.4 kt of chemical-grade chrome concentrate (2023: 72.6 kt) and 9.9 kt of foundry-grade chrome concentrate (2023: 11.8 kt) in FY2024.

Arxo Metals operates a comprehensive beneficiation site near Brits, 40 km from the Tharisa Mine. Incorporated at the beneficiation sites is the company's 1 MW DC furnace, owned by Tharisa Minerals, which produces PGM alloy and is continuing its research work into refining processes. In August 2024, Arxo Metals successfully produced 40 t of chrome alloy from a unique and proprietary process developed by its research and development business.

Chrome alloy production has traditionally been produced by smelting chrome ore and producing ferrochrome, which is then remelted in furnaces and alloyed to produce various chrome-containing alloys. The ferrochrome smelting process is electricity intensive. Arxo Metals' process not only sees this proprietary chrome alloy production requiring less power but, with the recent signing of a 15-year Power Purchase Agreement (PPA) of wheeled renewable energy with Etana Energy Proprietary Limited (Etana), Arxo Metals believes that the drive for 'greener' chrome from mine to final alloy production, is attainable.

Arxo Metals, which has successfully developed proprietary processes to produce specialty chrome (chemical and foundry grades at the Challenger Plant) and for the recovery of fine chrome particles at the Vulcan Plant, with both plants in commercial production at the Tharisa Mine, has developed a proprietary process to produce chrome alloy direct from smelting Tharisa-mined chrome. Using a pilot facility, it has proven the feasibility of the process. The first 40 t of alloy produced using chrome from the Tharisa Mine were sold to a downstream customer producing chrome alloy products, and further contracts have been fulfilled, with chrome alloy production continuing.

In the year under review, Arxo Metals made great strides in furthering its objectives of finding opportunities in the energy space. As such, the Arxo Metals Renewable Energy Centre (AMREC) was established as an independent unit of Arxo Metals, focusing on energy storage solutions using our commodities, including long-duration scalable storage solutions.

The Arxo team was instrumental in Tharisa entering into a long-term PPA for the procurement of wheeled renewable energy for the Tharisa Mine.

The 15-year agreement with Etana will see Etana provide up to 44% of the Tharisa Mine's electricity energy demand via wheeled energy from wind and solar farms in the Western Cape and Northern Cape using the existing electricity transmission grid. The wheeled energy is planned to come on stream in 2026. This transaction will enable the Tharisa Mine to manage its power costs better and benefit from the renewable energy certificates arising from the transaction.

This wheeled energy will complement the Tharisa Mine's 40 MW solar power plant being developed by TotalEnergies Renewables South Africa Proprietary Limited and Chariot Transitional Power South Africa Proprietary Limited, which is designed to provide 30% of Tharisa Minerals energy needs. Notably, the Etana PPA and the solar project will ensure that Tharisa Minerals' drive to reduce its carbon footprint by 30% by 2030 is well within reach while simultaneously guaranteeing predetermined power costs for a portion of power needs, with up to 76% of Tharisa Minerals' energy needs being provided by renewable energy from 2026 onwards under these agreements.

ARXO RESOURCES: trading
Arxo Resources Limited ('Arxo Resources'), with a robust, established platform of global customers, including stainless steel and ferrochrome producers and commodity traders, has the exclusive right to sell the metallurgical grade chrome concentrate produced by Tharisa Minerals to customers in China and other international markets. The scale of Arxo Resources' operations allows for direct access to market and price discovery. Its established contact with customers also creates an excellent platform for additional sales of third-party products.

In FY2024, Arxo Resources sold 1.7 Mt (FY2023: 1.5 Mt) of metallurgical grade chrome concentrates, of which Tharisa Minerals produced 1.5 Mt.

ARXO LOGISTICS: Logistics provider to and from operations
Arxo Logistics Proprietary Limited ('Arxo Logistics') provides an integrated logistics platform that reduces the risk and costs of transporting concentrates. It manages the road transportation of Tharisa Minerals' PGM concentrates to Impala Platinum and Sibanye-Stillwater and the long-haul transportation of chrome concentrates from the Tharisa Mine to international customers through bulk and container shipping. Due to inland logistical constraints on the rail network, Arxo Logistics has expanded its footprint and operating ports to ensure greater flexibility and supply certainty for global customers. Arxo Logistics now ships via Richards Bay Dry Bulk Terminal, Durban Port and the Maputo Harbour.

All material was delivered on time by Arxo Logistics. The logistics arm of the Group has the necessary road and rail transport capacity, warehousing facilities and port facilities to manage Tharisa Minerals' full production capacity. It also serves as a platform from which the Group can provide services to additional third-party customers.

Arxo Logistics provided third-party logistics services during the year under review.

Arxo Logistics shipped a total of 1.7 Mt (FY2023: 1.5 Mt) of chrome concentrate, primarily to main ports in China, including third-party materials.

METQ
MetQ Proprietary Limited ('MetQ') is a South African-based company that specialises in manufacturing and distributing mineral processing equipment, with a manufacturing facility based in Rosslyn, Pretoria, South Africa, becoming one of the market leaders in processes relying on particle sizing and gravity concentration of various minerals. Tharisa acquired MetQ with effect from 1 October 2019.

MetQ developed and built its own polyurethane spraying equipment to spray solventless polyurethane as a wear-resistant coating. With this spraying system, spirals could be manufactured to rival the best international offerings and bring enormous cost savings for the mining industry. MetQ has expanded its spiral range to include custom-designed units to ensure maximum efficiency in gravity separation circuits that recover numerous minerals. Products like hydrocyclones, hydrosizers and screening media were also developed and added to the range. Research and development are the keystones to MetQ's success and ensures future growth.

MetQ achieved ISO 9001:2015 certification during 2024.

MetQ supplies spirals to the Tharisa Group operations and other engineering equipment required by the Group while expanding its footprint to third-party customers in multiple commodities.

MetQ products
- Hydrocyclones
- Spirals
- Hydrosizers
- Steel fabrication
- Screen media
- Other plant accessories

KARO MINING

Karo Platinum (Private) Limited ('Karo Platinum') is an open-pit PGM asset under construction, located on the Great Dyke in Zimbabwe.

Tharisa has a holding of 76.66% in Karo Mining. With a commitment to provide further equity capital, Tharisa will increase its shareholding in Karo Mining to 80%. Karo Mining controls an indirect 85% of the shareholding of Karo Platinum, with the Republic of Zimbabwe (through Generation Minerals Private Limited) holding the remaining 15% on a free-funded carry basis. Tharisa will have an effective 68% in the Karo Platinum Project following the fulfilment of its capital commitments.

Zimbabwe has a long history of safe and successful mining. Karo Platinum is set to contribute significantly to GDP and provides a sustainable, long-life integrated mining operation through Tharisa's proven world-class development approach for projects such as Karo Platinum.

The mining lease area for the Karo Platinum Project covers an area of 23 903 ha. It is situated in the southern portion of the middle chamber of the Great Dyke and is supported by good infrastructure, including tarred roads and power access in the project area.

The Great Dyke is a PGM-bearing geological feature that runs north to south. At approximately 550 km in length and up to 11 km wide, it is second to the Bushveld Complex of South Africa's PGM resource base.

The Karo Platinum Project area is located on both the eastern and western flanks of the Great Dyke, which hosts the Main Sulphide Zone (MSZ). There is no outcrop as the mafic and ultramafic rocks weather easily to black cotton soil. The area is underlain by both the mafic and ultramafic sequences dipping at 20° to the east on the western side of the Great Dyke and 32° to the west on the eastern side of the Great Dyke. The MSZ is estimated to be approximately 700 m deep at the southern end of the tenement, up to 1 000 m deep in the centre and 600 m deep in the northern end of the tenement.

Community development

The Karo Platinum Project is a Tier 1 resource and a multi-generational asset. Construction at the Karo Platinum Project officially commenced on 7 December 2022. Development continues steadily, with value engineering, mining and process optimisation running parallel. The fiscal regime with the Government of Zimbabwe necessary for a Tier 1 project is being finalised. However, this and current commodity market conditions are impacting the funding workstreams and timeline for the delivery of this project. Accordingly, a measured decision was taken to slow the project timeline, continuing with smaller work packages, aligned with funding availability. The Karo Platinum Project has progressed well despite the slowdown, and smaller work packages have been completed on time and within budget.

Karo remains a world-class Tier 1 development project producing commodities required for the decarbonisation of the planet. While the delay in the timeline is a setback, it needs to be viewed in the context of a multi-generational project with a massive upside to the resource once phase 1 has been completed.

SALENE CHROME

Salene Chrome (Private) Limited ('Salene Chrome') is a development stage, low-cost, open-pit asset located in the Great Dyke in Zimbabwe.

Salene Chrome was placed on care and maintenance following the introduction of a ban on exports of chrome concentrates by the Government of Zimbabwe and the business case is pending a review.

REDOX ONE

Long-duration energy storage (LDES) is necessary as the world shifts towards renewable energy. Redox One Limited's ('Redox One') iron-chromium Redox Flow Batteries (Fe Cr RFBs) provide a safe, cost-effective and scalable solution that aligns with the growing needs of a decarbonised world. The energy storage market is growing exponentially in value and is expected to reach US$3 trillion by 2040. Redox One leads this transformative industry, powering progress for future generations.

Redox One is dedicated to pioneering a sustainable energy future by delivering safe, reliable, cost-effective, large-scale energy storage solutions to industries, communities and nations. Redox One's mission is to accelerate the clean energy transition with iron-chromium flow battery technology, resulting in long-term solutions for the global energy crisis.

Redox One's technology embodies sustainability. It is a crucial step towards a decarbonised world. According to the International Energy Association (IEA) by 2030, the world is projected to grow intermittent renewables by 3X, reaching nearly 50% of the electricity generation capacity. To shift renewables generation to periods of demand, there is a corresponding growing need for LDES systems that will enable the continued growth of intermittent renewables such as wind and solar. These systems must be sustainable, be capable of growing to a very large commercial scale, have minimum restrictions on siting and have multi-decade project lifetimes. Redox One's solutions offer precisely that.

Partnerships are the cornerstone of progress. Redox One's journey to revolutionise the global energy landscape would not be possible without the network of partnerships it has forged.

Redox One will provides the Group with something invaluable: a consistent and uninterrupted supply of iron-chromium. This will ensure that the Group has the essential resources required to power our batteries for decades to come, not just securing our present but also building a sustainable future.

MARKET REVIEW
PGM prices were depressed throughout the past year as factors such as destocking and the future of PGMs dominated supply-demand fundamentals.

The average annual PGM price saw a decrease of 28% to US$1 362/oz (FY2023: US$1 893/oz). This meant that in the first half of the year under review, the PGM market suffered from pricing pressure, with the effect of low prices manifesting itself in industry wide production cutbacks and shaft closures. This was exacerbated by excess inventory in the PGM pipeline, which, contrary to forecasts, did stretch into the latter part of the year as PGM prices continued to be constrained by the latency of pipeline destocking.

Tharisa remains firmly of the opinion that the PGM prices over the next 12 to 24 months will be higher, fuelled by the continued evidence that the internal combustion engine will remain relevant for a much longer time to come, and our firm view that hybrid drivetrains are an integral part of the transportation mix. Furthermore, the physical platinum market is entering a longer period of supply deficit, which should be a catalyst for higher platinum prices in the near term. This, coupled with the hydrogen economy, we will see strong demand for PGM metals due to their unique chemical properties.

We maintain our view that scientific and real-world applications continue to be presented in the hydrogen economy, with capital being promoted for this new type of application, thus creating stronger prominence and highlighting the significance of PGMs in this application.

South Africa hosts the largest chromite reserves in the world, with annual production measured both in local sales and export sales, making up two-thirds of the world's total production. China imported approximately 90% of South Africa's exports. Indonesia remains an essential player in the downstream chrome industry, with Tharisa supplying some of Indonesia's most modern and largest ferrochrome smelters.

Chrome prices were strong in the period under review on the back of the fundamentals of the chrome market, with real growth in stainless steel driven by demand from China and beyond. Average annual metallurgical grade chrome concentrate prices were up 13.7% at US$299/t (FY2023: US$263/t), with Tharisa producing 1 702.6 kt (FY2023: 1 580.1 kt), the highest output in the history of the Company.

Significantly, Tharisa successfully delivered on its beneficiation strategy with production of chrome alloy and testing upscaled batteries at Redox One. Tharisa remains a significant player in the global chrome industry, supplying approximately 10% to 12% of China's annual demand for the metal.

Tharisa remains a significant player in the speciality chrome market, with roughly a fifth of the average annual chrome output delivered into these markets. The prices of these products (chemical and foundry chrome) attract a premium over metallurgical grade chrome ore.

With the stainless steel market in the Far East needing close to 2 Mt of chrome concentrate a month and the industry projected to grow at some 3%, the fundamentals for chrome remain strong, particularly as logistics, both inland in South Africa and sea freight, remain complex, yet manageable. Any economic stimulus in China and beyond will provide solid support for the chrome market.

FINANCIAL RESULTS AND OVERVIEW
The Group's results are set out on page 32 of the consolidated financial statements while the results of the Company are set out on page 91. The results of the Group have been audited and the auditors have expressed an unqualified audit opinion.

Key financial metrics		**30 September 2024**	30 September 2023	Change %
Revenue	US$'000	**721 394**	649 893	11.0
EBITDA	US$'000	**177 626**	136 812	29.8
Profit before tax	US$'000	**117 679**	114 340	2.9
Earnings per share	US$ cents	**27.7**	27.4	1.1
Free cash flow	US$'000	**5 838**	77 865	(92.5)
Return on invested capital	%	**11.1**	10.5	5.7
Total debt	US$'000	**106 183**	139 656	(24.0)
Net cash	US$'000	**117 492**	129 357	(9.2)
Net debt/EBITDA		**(0.66)**	(0.95)	30.5
Net debt/equity	%	**(15.1)**	(19.2)	(21.4)
Exchange rate (ZAR:US$) - average		**18.5**	18.2	1.6

MANAGEMENT REPORT
for the year ended 30 September 2024

Segmental analysis
The contribution to revenue and gross profit from the respective segments is summarised below:

30 September 2024 *US$ million*	**PGM**	**Chrome**	**Agency and trading**	**Manufacturing**	**Total**
Revenue	**154.5**	**491.3**	**68.5**	**7.1**	**721.4**
Cost of sales	**(111.3)**	**(358.3)**	**(62.5)**	**(4.7)**	**(536.8)**
Manufacturing	**(110.8)**	**(225.5)**	**(44.7)**	**(4.7)**	**(385.7)**
Selling costs	**(0.5)**	**(96.3)**	**(11.5)**	**-**	**(108.3)**
Freight services	**-**	**(36.5)**	**(6.3)**	**-**	**(42.8)**
Gross profit	**43.2**	**133.0**	**6.0**	**2.4**	**184.6**
Gross profit margin	**28.0%**	**27.1%**	**8.8%**	**33.8%**	**25.6%**
Sales volumes	**141.8 koz**	**1 747.5 kt**	**186.2 kt**		
30 September 2023 *US$ million*	PGM	Chrome	Agency and trading	Manufacturing	Total
Revenue	198.5	390.0	56.0	5.4	649.9
Cost of sales	(153.8)	(287.8)	(50.7)	(4.3)	(496.6)
Manufacturing	(153.2)	(177.0)	(37.3)	(4.3)	(371.8)
Selling costs	(0.6)	(78.7)	(9.0)	-	(88.3)
Freight services	-	(32.1)	(4.4)	-	(36.5)
Gross profit	44.7	102.2	5.3	1.1	153.3
Gross profit margin	22.5	26.2	9.5	20.4	23.6
Sales volumes	144.0 koz	1 530.6 kt	187.2 kt		

The basis of the allocation of shared costs was revised to 68.0% for chrome (2023: 55.0%) and 32.0% for PGMs (2023: 45.0%). The basis of the allocation of shared costs is driven by relative sales values at Tharisa Minerals for each segment. As a result of the 13.6% increase in realised chrome prices followed by the 28.1% decrease in the PGM basket price, the basis of the allocation of shared costs was revised accordingly. The allocation is reviewed semi-annually.

PGM revenue decreased by 22.1% year on year as a result of a 28.1% decrease in PGM basket prices over the year. PGM production remained relatively consistent at 145.0 koz despite reduced recoveries as a result of a culmination of limiting factors, including the processing of weathered purchased ore and the consequent processing of suboptimal reef blends.

Rhodium prices averaged US$4 469.8/oz (2023: US$9 224.0/oz) for the period, a decrease of 51.5%. Platinum prices averaged US$942.9/oz (2023: US$970.8/oz), a decrease of 2.9% and palladium prices averaged US$999.9/oz (2023: US$1 605.2/oz), a decrease of 37.7%.

During FY2024, metallurgical grade (met-grade) chrome production increased by 1.7% whilst speciality grade chrome production increased by 44.4%, albeit off a low base. Chrome sales volumes remained robust during the period with an increase of 15.7% contributing to the 26.0% increase in chrome revenue. Chrome prices remained elevated relative to historical pricing during the period further contributing to the increase in chrome revenue year on year.

Costs
The following analysis computes the cash costs (i.e. excluding non-cash flow items such as depreciation) on a per cube and per ROM tonne mined for mining costs and then analyses the major cost categories on a per tonne milled basis. Costs relating to deferred stripping of US$65.8 million (2023: US$4.4 million) which are capitalised, were excluded from the per tonne milled analysis.

		30 September 2024	30 September 2023	Change %
Cubes mined	**km^3**	**16 953**	15 629	6.2
Cost per cube mined	**US$/m^3**	**11.0**	10.8	2.1
Reef tonnes mined	**kt**	**4 642**	4 177	11.1
Cost per reef tonne mined*	**US$/t**	**40.3**	40.4	(0.4)
Tonnes milled	**kt**	**5 594**	5 410	3.4
Consolidated cash cost per tonne milled	**US$**	**67 8**	61.6	10.2

* *Excluding the cost of purchased ROM ore.*

Average sea freight costs remained stable over the financial year at US$23.0/t (2023: US$22.9/t).

Summary of results

Revenue for the period increased by 11.0% to USD721.4 million (2023: USD649.9 million) remaining resilient against the 28.1% decline in PGM prices and benefitting from robust chrome sales volumes with an uptick of 13.6% in chrome prices.

Other operating expenses increased by 15.9% to US$66.6 million (2023: US$57.4 million). The largest cost component of other operating expenses was employee related expenses of US$33.7 million which contributed 50.7% to total other operating expenses.

EBITDA totalled US$177.6 million (2023: US$136.8 million), a 29.8% increase primarily due to the strengthening of chrome prices and despite the decrease in the PGM basket price. The increase in EBITDA may also be attributable to cost increases being below revenue growth followed by a 114.9% decrease in foreign currency losses.

Finance costs for the year amounted to US$11.9 million (2023: US$7.1 million), a 67.6% increase emanating mainly from the drawn down of the US$80.0 million term loan.

The Group generated a profit before tax of US$117.7 million (2023: US$114.3 million), a 3.0% increase year on year.

The taxation charge totalled US$35.0 million (2023:US$27.6 million) with an effective tax rate of 29.8% (2023: 24.1%). Total cash taxes paid totalled US$23.6 million (2023: US$30.0 million).

Taking into account the foreign currency translation reserve of US$32.7 million, total comprehensive income amounted to US$115.4 million (2023: US$74.0 million), an increase of 55.9% year on year.

The ZAR:US$ volatility remained elevated during the financial year. The average ZAR:US$ exchange rate was ZAR18.5 (2023: ZAR18.2) while the closing exchange rate was ZAR17.3 (2023: ZAR18.9).

Basic earnings per share for the financial year amounted to US 27.7 cents (2023: US 27.4 cents).

Return on invested capital for the year increased from 10.5% during FY2023 to 11.1% for FY2024.

Outlook

Production guidance for FY2025 is set between 140 koz and 160 koz PGMs (6E basis) and 1.65 Mt to 1.8 Mt of chrome concentrates.

Capital expenditure and commitments

Total capital expenditure amounted to US$195.0 million (2023: US$69.9 million). Of the total capital spent, US$24.2 million pertained to mining fleet and US$164.0 million related to other mining assets. Total capital spent for the Karo Platinum Project amounted to US$84.1 million.

Total capital commitment at the financial year end totalled US$46.9 million (Karo Platinum: US$22.6 million):

- Contracted for property, plant, and equipment – US$46.1 million
- Authorised but not contracted for property, plant, and equipment – US$0.8 million.

Cash flows and working capital

Cash flows generated from operations before accounting for working capital movements amounted to US$182.9 million (2023: US$142.6 million).

Working capital movements for the year include the following:

- A decrease in inventories of US$12.2 million
- A decrease in trade and other receivables of US$18.8 million
- An increase in trade and other payables of US$9.8 million

Total cash additions to property, plant, and equipment for the year totalled US$195.0 million (2023: US$69.9 million). After taking into account, inter alia, debt and interest repayments, there was a net decrease in cash and cash equivalents of US$41.6 million.

Cash and cash equivalents, including the restricted cash, totalled US$223.7 million at 30 September 2024 (2023: US$269.0 million). Net current assets totalled US$184.0 million (2023: US$248.2 million).

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MANAGEMENT REPORT
for the year ended 30 September 2024

Definitions and calculation of non-IFRS Accounting Standards financial information

Return on invested capital: calculated on a twelve-month rolling basis being the net operating profit after tax divided by the average invested capital (comprising total assets less cash and non-interest-bearing short-term liabilities)		**2024**	2023
Results from operating activities	US$'000	**119 555**	94 691
Effective tax rate	%	**29.8**	24.1
Results from operating activities after tax	US$'000	**83 928**	71 870
Total assets	US$'000	**1 207 802**	1 088 044
Cash and cash equivalents	US$'000	**(217 675)**	(255 300)
Non-interest-bearing short-term liabilities			
Provisions	US$'000	**(56 827)**	(47 715)
Current taxation	US$'000	**(877)**	(766)
Other financial liabilities	US$'000	**(40)**	-
Trade and other payables	US$'000	**(105 732)**	(93 464)
Contract liabilities	US$'000	**(623)**	(1 876)
Invested capital	US$'000	**826 028**	688 923
Average invested capital	US$'000	**757 471**	685 192
Return on invested capital	%	**11.1**	10.5

EBITDA represents the sum of: results from operating activities and depreciation and amortisation and write offs of property, plant and equipment		**2024**	2023
Results from operating activities	US$'000	**119 555**	94 691
Depreciation of property, plant and equipment and amortisation of intangible assets	US$'000	**54 722**	39 239
Write off of property, plant and equipment	US$'000	**1 940**	3 454
Amortisation of intangible assets	US$'000	**4**	2
Other	US$'000	**1 405**	(574)
EBITDA	US$'000	**177 626**	136 812

Free cash flow: net cash flow generated from operating activities less additions to property, plant and equipment			
Net cash flow generated from operating activities		**204 549**	148 269
Additions to property, plant and equipment (cash flow statement)		**(194 996)**	(69 884)
Proceeds from disposal of property, plant and equipment		**1 930**	129
Additions to intangible assets		**(5 645)**	(649)
Free cash flow		**5 838**	77 865

EBITDA margin: EBITDA divided by revenue			
EBITDA (above)	US$'000	**177 626**	136 812
Revenue	US$'000	**721 394**	649 893
EBITDA margin	%	**24.6**	21.1

Gross profit margin: net profit divided by revenue			
Gross profit	US$'000	**184 609**	153 331
Revenue	US$'000	**721 394**	649 893
Gross profit margin	%	**25.6**	23.6

Net cash position: cash and cash equivalents (including the restricted bank deposit) less total borrowings		**2024**	2023
Cash and cash equivalents	US$'000	**217 675**	255 300
Long-term restricted bank deposit	US$'000	**2 062**	13 713
Short-term restricted bank deposit	US$'000	**3 938**	-
Long-term borrowings	US$'000	**(50 366)**	(76 385)
Short-term borrowings	US$'000	**(55 817)**	(63 271)
Net cash position	US$'000	**117 492**	129 357
Net debt to equity: net cash position divided by total equity			
Net cash position	US$'000	**117 492**	129 357
Total equity	US$'000	**779 563**	675 176
Net debt to equity		**(15.1)**	(19.2)
Net debt to EBITDA: net cash and cash equivalents (including the restricted bank deposit) position divided by EBITDA			
Net cash position (above)	US$'000	**117 492**	129 357
EBITDA (above)	US$'000	**177 626**	136 812
Net debt to EBITDA	%	**0.66**	0.95
Interest bearing debt to equity: total borrowings divided by total equity			
Long-term borrowings	US$'000	**50 366**	76 385
Short-term borrowings	US$'000	**55 817**	63 271
Total borrowings	US$'000	**106 183**	139 656
Total equity	US$'000	**779 563**	675 176
Interest-bearing debt to equity	%	**13.6**	20.7
Net current assets: current assets less current liabilities			
Current assets	US$'000	**403 973**	455 252
Current liabilities	US$'000	**219 916**	207 092
Net current assets	US$'000	**184 057**	248 160

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ('TCFD')

In accordance with the UK Financial Conduct Authority (FCA) Listing Rules, entities listed in the UK must disclose in accordance with the TCFD recommendations and disclosures effective from 2023. To comply with this requirement, the Group has referenced its integrated annual report against the recommendations and disclosures in compliance with the TCFD. The Group will publish its annual report during December 2024 which will be available on the Group's website: www.tharisa.com. Since the Annual Report contains information about the Group's sustainability, environmental and climate related matters, social responsibility and governance, the Company believes it is more appropriate to include the TCFD disclosures as part of the Annual Report as it provides a holistic overview of the Group's business. In addition, the Annual Report has been referenced against the recommendations and disclosures in compliance with the TCFD. Various sustainability development goals ('SDG') relevant to the Group's environmental and social risks and the Group's commitment to these development goals have been included in the Annual Report. The Group's sustainability strategy aligns with the SDGs adopted by the United Nations, focusing on specifically nine SDGs where the Group can have the most substantial social and environmental impact. The majority of the Group's SDGs are of a long-term nature, but the Group believes significant progress has been made in achieving these targets. Refer to the Annual Report available on the Group's website: www.tharisa.com.

CHANGES IN THE GROUP STRUCTURE

There were no changes to the group structure during the year ended 30 September 2024, however, the Company increased its shareholding in Karo Mining. During the year ended 30 September 2024 Karo Mining issued an additional 2 784 new ordinary shares for a cash subscription of US$20.0 million to the Company. The additional shares issued represented 1.22% of the issued share capital of Karo Mining which increased the Company's shareholding to 76.22%.

Refer to note 23 of the consolidated financial statements and note 10 of the separate financial statements.

RELATED PARTIES

From time to time, the Group concludes transactions with related parties. Outstanding balances at year-end are unsecured and settlement occurs in cash and are disclosed in the ensuing consolidated financial statements (refer to note 34) and the separate financial statements (refer to note 20).

DIVIDENDS

During the year ended 30 September 2024, the Company declared and paid a final dividend of US 2.0 cents per share in respect of the financial year ended 30 September 2023. In addition, an interim dividend of US 1.5 cents per share was declared and paid in respect of the financial year ended 30 September 2024.

During the year ended 30 September 2023, the Company declared and paid a final dividend of US 4.0 cents per share in respect of the financial year ended 30 September 2022. In addition, an interim dividend of US 3.0 cents per share was declared and paid in respect of the financial year ended 30 September 2023.

On 27 November 2024, the Board proposed a final dividend of US 3.0 cents per share, subject to the necessary shareholder approval at the Annual General Meeting.

SHARE CAPITAL AND PREMIUM AND TREASURY SHARES

The authorised share capital of the Company comprises 10 000 million ordinary shares of US$0.001 each and 1 051 convertible redeemable preference shares of US$1 each. At 30 September 2024, the issued and fully paid ordinary share capital comprised 295 204 391 (2023: 300 019 694) ordinary shares. As at 30 September 2024 and the date of this report, treasury shares totalled 7 392 352 (2023: 2 577 049) ordinary shares (refer to note 23 to the consolidated financial statements and note 14 to the separate financial statements).

During the year ended 30 September 2024, the Company repurchased 4 836 918 ordinary shares (nominal value of US$0.001 per share) for a total consideration of US$5.0 million These shares are included in the treasury shares. At 30 September 2024, the repurchased shares represent 1.6% of the issued ordinary share capital. The Board believed that the Company's shares were trading at a significant discount, having been negatively impacted by the PGM commodity price environment while not reflecting the strong co-product contribution from its chrome sales. The Group is committed to capital discipline and believes that the share repurchase supports this.

All ordinary shares other than for the treasury shares rank equally with regard to the Company's residual assets. The holders of ordinary shares, other than the treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

There are no restrictions in the exercising of voting rights of shares issued by the Company.

MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors, during the year, as at 30 September 2024 and the date of this report are:

Loucas Christos Pouroulis	Executive Chairman
Phoevos Pouroulis	Chief Executive Officer
Michael Gifford Jones	Chief Finance Officer
Carol Bell	Lead Independent Non-Executive Director
John David Salter	Independent Non-Executive Director
Omar Marwan Kamal	Independent Non-Executive Director
Roger Owen Davey	Independent Non-Executive Director
Gloria Zvaravanhu*	Independent Non-Executive Director
Antonios Djakouris**	Independent Non-Executive Director
Shelley Wai Man Lo	Non-Executive Director
Chen Hao***	Non-Executive Director

* *Appointed 21 February 2024*
** *Resigned 21 February 2024*
*** *Appointed 1 October 2024*

In line with the best practice and the Group's commitment to diversity, the Board of Directors takes into account diversity, equality and inclusion aspects when making new Board appointments and considering the composition of the Board. As of 30 September 2024, there are three female members on the Board, equivalent to 30% of the Board. The lead independent director is female while another female director, Gloria Zvaravanhu, is from an ethnic, minority background. Whilst Tharisa is not currently meeting a target of 40% female representation on its Board of Directors, the Board will pursue opportunities to increase the number of female and racially and ethnically diverse Board members over time, provided that it is consistent with the skills and diversity requirements of the Board.

There has been no other change in the composition or the allocation of responsibilities of the Board of Directors' of the Company between 30 September 2024 and the date of approval of the consolidated and separate financial statements.

DIRECTORS' INTEREST

The interest in the share capital of the Company, both direct and indirect, of the Board of Directors is disclosed below:

	30 September 2024 %	30 September 2023 %
LC Pouroulis	**0.42**	0.41
P Pouroulis	**2.73**	2.69
MG Jones	**0.24**	0.24
A Djakouris	**-**	0.01
C Bell	**0.02**	0.02
Total	**3.41**	3.37

The interest percentage represents the percentage of voting rights. There has been no change in the Board of Directors' interests in the share capital of the Company between 30 September 2024 and the date of approval of the consolidated and separate financial statements.

COMPANY SECRETARIES

Sanet Findlay serves as the Company Secretary. Lysandros Lysandrides serves as the Assistant Company Secretary. The Board of Directors formally assessed and considered the performance and qualifications of the Company Secretaries and is satisfied that they are competent, suitably qualified and experienced. They are not directors of the Company, nor are they related or connected to any of the Directors and the Board of Directors is satisfied that they maintain an arm's length relationship with the Board of Directors. Their contact details are as follows:

Sanet Findlay	Lysandros Lysandrides
2nd Floor, The Crossing	31 Evagoras Avenue
372 Main Road	Evagoras House, 6th Floor
Bryanston, 2191	Nicosia
South Africa	Cyprus

The Company Secretaries are available to advise all Directors to ensure compliance with the Board procedures. A procedure is also in place to enable Directors, if they so wish, to seek independent professional advice at the Group's expense.

CONTINGENCIES AND COMMITMENTS

The Group's contingencies and commitments are disclosed in notes 35 and 36 to the consolidated financial statements and note 21 to the separate financial statements.

SIGNIFICANT SHAREHOLDERS

Refer to the Corporate Governance report for shareholders holding more than 5% of the issued share capital of the Company.

EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are disclosed in note 37 to the consolidated financial statements and note 22 to the separate financial statements.

DIRECTORS' AND MANAGEMENT REMUNERATION

Directors' remuneration is disclosed in note 11 to the consolidated financial statements and note 6 to the separate financial statements. Key management's remuneration is disclosed in note 34 to the consolidated financial statements. There has been no significant change in the remuneration of the Board of Directors' and key management of the Company between 30 September 2024 and the date of approval of the consolidated financial statements.

ARTICLES OF ASSOCIATION

Refer to the Corporate Governance Report for provisions relating to how Articles of Association may be amended.

COMPANY'S INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS

Refer to the Corporate Governance Report for provisions relating to internal control and risk management.

INDEPENDENT AUDITORS

During the year ended 30 September 2024, the independent auditors of the Group and Company, Ernst & Young Cyprus Ltd, resigned and BDO Limited (incorporated in Cyprus) was appointed. BDO Limited has expressed its willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

BRANCHES

A subsidiary of the Company, Redox One Limited established a branch in Germany during the year ended 30 September 2023. The branch was fully operational during the year ended 30 September 2024.

GOING CONCERN

These consolidated financial statements have been prepared on a going concern basis.

Refer to notes 23 and 33 to the consolidated financial statements and notes 14 and 19 to the separate financial statements for statements on the Group's objectives, policies and processes for managing its capital, details of its financial instruments and hedging activities; its exposures to market risk in relation to commodity prices and foreign exchange risks; interest rate risk; credit risk; and liquidity risk.

ENVIRONMENTAL

The Group has a legal obligation to rehabilitate the mining area, once the mining operations cease (refer to note 24 to the consolidated financial statements).

RESEARCH AND DEVELOPMENT

The Group's approach to research and development is founded on its core value of innovation. The Group strives to push through established boundaries and limitations within existing processing and product development, optimizing processes and challenging convention. The development of downstream beneficiation of the Group's PGMs is part of its philosophy of capturing value and margin down the supply chain and ultimately being in control of metal flows through to direct sales.

CORPORATE SOCIAL RESPONSIBILITY

Sustainability starts with a corporate value system that upholds responsibilities to the planet and to people. This corporate value system is based on a principled approach to doing business and is guided by the need to protect the environment, human rights and stakeholders that are affected by the Group's businesses.

Sustainability is a blueprint for shared values and it is through sustainability that the Group is able to create additional value for its investors and for all of its stakeholders including employees, contractors, suppliers, the communities in which it operates, and various levels of government.

On a broader basis, the Group subscribes to the Equator Principles and has embraced the Ten Principles of the UN Global Compact.

The Equator Principles are a risk management framework, adopted by financial institutions, for determining, assessing, and managing environmental and social risk in projects. They are primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making.

Tharisa Minerals is proud of its track record in minimising its environmental impact and, while it strives to improve further, it takes similar pride in its mature and mutually beneficial relationships with the communities that border the Tharisa Minerals' mine. The safety and health of the Group's employees is a core value.

The Group not only understands its obligations to create social capital as enshrined in the Mineral and Petroleum Resources Development Act, but also strives to achieve these obligations in ways that create ongoing positive social impacts.

The Group will be publishing its sustainability report within its Annual Report and it will be available on the Company's website. The sustainability report will contain information about safety and health, human resources, environmental matters, social development, and human rights.

STAKEHOLDER ENGAGEMENT

The Group believes that stakeholder engagement is a business imperative and that strong lines of communication between stakeholders ensure the success of the Group and secure its place within the community. The Group's stakeholder engagement strategy aims to maintain good working relations, manages social risk and develops solutions to social challenges faced by its stakeholders. Tharisa's stakeholder engagement framework will be further developed for the new jurisdictions that it is entering as those operations are established.

HUMAN RESOURCES

The Group considers the wellbeing of employees central to its success and strives to maintain exemplary working standards, ensure job satisfaction and create opportunities for professional growth. The Group's human resources policy focuses on creating a positive atmosphere at all offices and facilities to maximise productivity. The Group's future success will partly depend on its ability to continue to attract, retain and motivate key employees and qualified personnel, in particular an experienced management team.

Adequate remuneration packages, which are in line with or in excess of market levels, are offered to all employees and key managers. The Human Resource function regularly monitors salary levels and other benefits to ensure that the Group's remuneration packages are adequate.

NON-FINANCIAL INFORMATION

The Group will be publishing its non-financial information within its Annual Report that will be issued within four months after the balance sheet date and will be available on the company's website: www.tharisa.com.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's critical estimates and judgements and financial risk management are disclosed in notes 3 and 33 to the consolidated financial statements and notes 3 and 19 to the separate financial statements. Additional disclosure on financial risk and judgement is disclosed in each note to the financial statements.

The Group's contingencies, commitments and guarantees are disclosed in notes 35 and 36 to the consolidated financial statements and notes 20 and 21 to the separate financial statements.

The Tharisa Group understands that it operates in a dynamic business environment that is inherently characterised by change and uncertainty, therefore, we understand that risk management is a critical success factor and view our risk management process as a strategic enabler in the achievement of our strategic objectives and the maintenance of resilience in delivering shareholder value.

Risk management process

Our proactive and integrated risk management approach is central to both operational and strategic decision-making which enhances resilience and safeguards the Group's value whilst also exploiting identified opportunities to best serve the long-term interest of all our stakeholders.
Our risk management is a systematic and rigorous process that involves continuous communication & consultation, setting internal and external context for identifying, analysing, evaluating, & treating risk, reporting and recording the outcomes and monitoring & reviewing.

Accountability and governance

Our enterprise risk management process is a strategic initiative fully supported by the board and executive management. The Executive Committee ('Exco') constantly monitors risks, while the Risk Committee oversees the process. Exco maintains a quarterly-reviewed risk register, with updates reported to the Board twice a year, ensuring accountability and strategic oversight.

Principal risks

Our principal risks are risks that the Group considers to be a threat to the achievement of its strategic objectives. In the tables that follow we have included a summary of our principal risks, key drivers, impact, mitigation strategies and comments.

The principal risk report is based on changes in residual risk rating as a result of ongoing quarterly reviews and as such, could change significantly as a result of both internal and external factors that drive these risks to materialise. Our risk ratings are derived from a calculated mitigation impact of the unwanted event. The top 11 principal risks are arranged from highest to lowest risk score. Principal risks are prioritised, with treatment strategies designed, implemented and continuously monitored to ensure effectiveness in managing them to acceptable levels.

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MANAGEMENT REPORT
for the year ended 30 September 2024

2024 Ranking	Risk	Risk description & Key drivers	Impact	Mitigation	2025 Ranking	Trend 2024 vs 2025 Forward looking	Comments
1	Health and safety	Failure to achieve zero harm and maintain a healthy workplace. **Key Drivers:** - Employee behaviour - Our business partners' health and safety compliance maturity is not aligned to Tharisas - Lack of internal standards control - Lack of organisational system applications for real time monitoring of incidents - Inadequate alignment of risk management	- Operational stoppages (Section 54 by the Department of Minerals and Petroleum Resources) which has an impact on production. - Decreased employee wellness and quality of life	- Isometrix application for real time monitoring & reporting of SHE incidents - Document Management System (DMS) to standardise and centralise documents - Contractor onboarding system to ensure compliance to the MHSA for our business partners - Standardised Operational Risk Management procedure/ framework - Management of Change procedure - Safe Life Behaviours - Fatal Hazard Code awareness and self-assessments - Group standards self-assessments	1	No change	Employees' health and safety remains a top value and priority. We are dedicated to continued implementation of our SHE strategy with a focus on health and safety improvement in our quest for Zero Harm even though a good safety performance has been demonstrated in the recent past.
2	Political uncertainty (S.A)	Ongoing policy uncertainty **Key Drivers:** - National coalition government in SA between parties with differing manifestos	- Decline in foreign investment	- Closely monitoring the political land scape to adapt where needed - Government and community engagement	8	Down	

2024 Ranking	Risk	Risk description & Key drivers	Impact	Mitigation	2025 Ranking	Trend 2024 vs 2025 Forward looking	Comments
3	Regulatory non-compliance & Legislative changes	Failure to comply with authorisation conditions, obtain amendments to current authorisations and other mining regulations. **Key drivers:** - Evolving regulations as a result of political developments - Changes in societal expectations and the public perception of mining activities. - Failure to comply with management processes will threaten the ability to adhere to regulations and permits. - Delays in authorization process due to ever changing regulatory requirements.	- Delays to projects and disruption to existing operations resulting in financial loss - Legal claims and regulatory actions, fines and reputational damage.	- Legal guidance/ advice and regular updates on changing regulatory requirements - Regular engagements with relevant authorities to strengthen relationships - Community forum established - MHSA SHE alerts on newly introduced, updated and obsolete laws / regulations/ legislations	6	Down	Tharisa prioritises compliance with all regulatory bodies to ensure sustainable mining practices. By adhering to these regulations, we demonstrate our commitment to responsible and long-term resource management.
4	Asset concentration	Tharisa currently owns and operates one primary producing asset located in South Africa. **Key drivers:** - Capital constrains	- Business interruption	- The Group has invested in the development of Karo Platinum. - Focus on Research and Development and commercialising projects such as Redox One	4	No change	This risk continues to be monitored, taking all possible opportunities for expansion into account.
5	Global commodity prices	Volatility in commodity prices **Key drivers:** - Economic downturn impacting demand	- The Group's revenues, profitability and future growth rate. - The capacity to invest in growth projects is constrained during periods of low commodity prices – which may, in turn, affect future performance.	- Maintaining a conservative balance sheet - Proactive management of debt and cash - Improvement and operational performance targets. - Regular updates of economic analysis and ongoing product price assumptions discussions with the Executive Managers and the Board. - Multiple product streams. (PGM's and chrome concentrates)	2	Up	Macro-economic conditions remain uncertain; that may result in price volatility in the products mined, and marketed, however, our versatile group of metals give Tharisa a competitive advantage enabling us to adapt to market fluctuations and sustain our operational resilience.

2024 Ranking	Risk	Risk description & Key drivers	Impact	Mitigation	2025 Ranking	Trend 2024 vs 2025 Forward looking	Comments
6	Financing and liquidity	Inability to raise enough funds to meet financial obligations, finance operations and sustain growth. **Key drivers:** - Static share price trading - Debt funding capacity - Greylisting' of South Africa by the Financial Action Task Force - Tough financing and macroeconomic conditions - Operational under performance	- Lower levels of cash flow, profitability and valuation. - Debt costs may increase due to ratings agency downgrades and the possibility of restricted access to funding. - The Group may be unable to complete investment programme within the desired timescales or achieve expected values.	- Prudent financial planning, - Maintaining a strong balance sheet.	3	Up	Tharisa remains committed to all its stakeholders, applying financial discipline ensuring long term sustainability of the Group.
7	Customer concentration	The bulk of Tharisa's chrome production is exported to China and Indonesia. This gives the Group significant exposure to a single geographic market although there are diverse customers) **Key drivers:** - Stainless steel market in China	- If a key customer is lost, it can impact revenue. - Loss of bargaining power. - Business interruption	- Continuous stakeholder engagement - Ongoing discussions on supply agreements - Enforcement of supply agreements - Investment in Research & Development for beneficiation	7	No change	This risk continues to be monitored, taking all possible opportunities for alternative markets into account.

2024 Ranking	Risk	Risk description & Key drivers	Impact	Mitigation	2025 Ranking	Trend 2024 vs 2025 Forward looking	Comments
9	Environmental Risk and Governance (ESG)	Companies are facing increasing pressure from investors, customers and regulators to address, monitor and manage Environmental, Social and Governance (ESG) risk. Common ESG risks include those related to climate change impact mitigation, environmental practices and duty of care. From a social and governance risk perspective, elements may include respect for human rights, anti-bribery and corruption practices, as well as compliance to relevant laws and regulations. **Key Drivers:** - Inability to attain social license to operate. - Lack of inclusive participation on business opportunities for doorstep communities. - Poor stakeholder engagement with the interested and affected parties on issues that affect doorstep communities. - High unemployment rate within doorstep communities.	- Cashflows negatively affected - Community unrest - Reputational risk to Tharisa	- Environmental stewardship - Monitoring of SLP programmes to ensure completion of the identified projects - Ringfenced community opportunities for business and labour - Ensuring compliance across the operational permits from Regulators. - Regular stakeholder engagement with regulators and community structures.	5	Up	Climate change is one of the defining challenges of our era and our commitment to being part of the global response presents both opportunities and risks.
12	Labour	Finding talent continues to be a major challenge for mining and metals companies. **Key drivers:** - Increasingly competitive labour market - The sector's poor brand and perceptions around License To Operate - Aging workforce	Lack of continuity, knowledge drain, decrease employee engagement and morale, increased recruitment costs and business disruption	- Talent management framework - Recruitment and selection policy - Identification of scarce skills - Upskilling or filling roles with internal candidates, where possible - Leveraging university and experiential programs - Participation in school career fairs within area of influence	10	Up	We recognize our workforce as our top one priority assets and are committed to their continued improvement and growth. We strive to continue to maintain an environment that encourages employee contribution and attracts new talent.

MANAGEMENT REPORT
for the year ended 30 September 2024

2024 Ranking	Risk	Risk description & Key drivers	Impact	Mitigation	2025 Ranking	Trend 2024 vs 2025 Forward looking	Comments
15	Cyber security	Loss or harm to our technical infrastructure and the use of technology within the organisation from malicious or unintentional sources. **Key drivers:** - Lack of user knowledge (employees). - Lack of continuous software patching and updates. - Lack of firewall rules to detect malicious attacks. - Lack of network monitoring and strict network boundaries. - Lack of intrusion prevention system.	- Revenue loss and reputational damage - Exposure of confidential information - Business interruption - Legal and regulatory impacts (Protection of Personal Information Act, 2013 (Act 4 of 2013) (POPIA) implications)	- Cyber security awareness training, campaigns - Unified email management system - MS Defender| Intune| Darktrace. - Ironscale| MultiFactorAuthetication. - XG SOPHOS Firewalls| Darktrace AI| - Annual vulnerability and penetration assessment.	9	Up	During 2024, our controls responded as planned and no cyber-attack attempt resulted in significant impacts for the Tharisa group. Our cyber security programs constantly evolve with the continuously evolving risk landscape.
New	Country risk Karo Platinum	The political landscape in Zimbabwe is unstable (frequent adjustments to policies). **Key drivers:** - Policy instability and unpredictable regulations - Corruption - Reserve bank rules and regulations around money and currency. - Poor infrastructure (power supply shortage and deteriorated transport infrastructure) - Liquidity constraints (the country has little or no foreign currency reserves)	- Investor reluctance - Increased operational costs - Operational disruptions - Erosion of profitability - Difficulty repatriating profits - Fixed-price contracts may become unviable as inflation drives up costs over time.	- Regular engagement with government and regulatory authorities - Political risk insurance - Partnership with local stakeholders - Indexing of contracts to inflation - Cost control and efficiency - Adequate cash reserve maintenance - Pricing and contract flexibility	11	New	Tharisa has a well-thought-out strategy, involving strong community engagement, legal safeguards, and contingency plans for economic and political instability. We remain vigilant in the management of our risks and maintain good relations with all relevant stakeholders.

CORPORATE GOVERNANCE STATEMENT

The Board is of the opinion that the Company is compliant with the JSE Listings Requirements and King IV in all material respects, other than having an Executive Chairman. The former has been mitigated by the appointment of a Lead Independent Director (refer to the Corporate Governance Report).

On behalf of the Board of Directors

Phoevos Pouroulis **Michael Jones**

United Kingdom
27 November 2024

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CHIEF EXECUTIVE OFFICER AND THE CHIEF FINANCE OFFICER RESPONSIBILITY STATEMENT

The directors, whose names are stated below, hereby confirm that:

- The consolidated annual financial statements and company annual financial statements set out on pages 32 to 89 and 91 to 120 of this document, fairly present in all material respects the financial position, financial performance and cash flows of Tharisa plc and subsidiaries and of Tharisa plc company in terms of IFRS Accounting Standards;

- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated annual financial statements and company annual financial statements false or misleading;

- Internal financial controls have been put in place to ensure that material information relating to Tharisa plc and its consolidated subsidiaries have been provided to effectively prepare the consolidated financial statements and separate financial statements of Tharisa plc;

- The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

- Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies / taken steps to remedy the deficiencies; and

- We are not aware of any fraud involving directors.

Phoevos Pouroulis **Michael Jones**

United Kingdom
27 November 2024

STATEMENT BY THE MEMBERS OF THE BOARD OF DIRECTORS RESPONSIBLE FOR THE DRAFTING OF THE ANNUAL CONSOLIDATED FINANCIAL REPORT AND FINANCIAL STATEMENTS OF THARISA PLC ACCORDING TO THE UNITED KINGDOM DISCLOSURE GUIDANCE AND TRANSPARENCY RULES ('UK DTR').

In accordance with DTR4.1 on Annual Financial Reporting, providing for the disclosure and transparency requirements for issuers whose transferable securities are admitted to trading on a UK Recognised Investment Exchange, we, the members of the Board of Directors, responsible for the preparation of the annual consolidated financial statements of Tharisa plc for the period ended 30 September 2024, hereby declare that to the best of our knowledge:

(a) the financial statements, prepared in accordance with IFRS Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and

(b) the management report includes a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Loucas Pouroulis	*Executive Chairman*
Phoevos Pouroulis	*Chief Executive Officer*
Michael Jones	*Chief Finance Officer*
Carol Bell	*Lead independent non-executive director*
Omar Kamal	*Independent non-executive director*
David Salter	*Independent non-executive director*
Roger Davey	*Independent non-executive director*
Gloria Zvaravanhu	*Independent non-executive director*
Shelley Lo Wai Man	*Non-executive director*
Chen Hao	*Non-executive director*

United Kingdom, 27 November 2024

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Independent Auditor's Report

To the Members of Tharisa plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Tharisa plc and its subsidiaries (the "Group"), and the separate financial statements of Tharisa plc (the "Company"), which are presented on pages 32 to 120 and comprise the consolidated statement of financial position and the statement of financial position of the Company as at 30 September 2024, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Company for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 30 September 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no Key audit matters to communicate in our report in respect of our audit of the separate financial statements of the Company.

Key Audit Matters	Audit Response
Revenue Recognition The Group's revenue for the year ended 30 September 2024 amounted to US$ 721 394 thousands in the consolidated financial statements. Terms of sales are generally subject to complex terms regarding how title and control of sold goods are transferred to the customer as well as retrospective pricing arrangements. The amount of consideration to which the Group expects to be entitled to receive in exchange for the sale of PGM and chrome concentrate includes variable amounts as it is subject to quality and quantity adjustments, as well as potential final pricing adjustments after delivery of the goods. Refer to notes 4 and 5 of the accompanying consolidated financial statements of the Group for more information. Management is therefore required to exercise significant judgements as to the timing of revenue recognition and the determination of the transaction price which includes estimating variable consideration, and which considering the high magnitude of revenue transactions, can have a significant impact on the revenue recognised in the consolidated financial statements. Revenue recognition was therefore considered a key audit matter.	In this area, our audit procedures included, amongst others, the following: • gaining an understanding of the revenue recognition process for different revenue streams, including the system of controls, to assess whether it is designed and implemented effectively to prevent, detect or correct material misstatements in the reported revenue figures; • reviewing the methodology followed relating to provisional pricing of sales contracts; • for a sample of revenue transactions we: - reviewed and understood the key terms and conditions of the related sales contracts and ensured the amounts recognised were in accordance with the requirements of IFRS 15 "Revenue from contracts with customers"; - verified the amounts recorded to supporting documentation, including preliminary and final invoices, shipping documents, final quantity and quality reports, external market price information and bank statements; - confirmed there were no significant differences in the estimates used at the provisional invoicing stage when compared to the final invoice agreed with the customer; - confirmed that sales recorded were consistent with the related entries in the inventory reconciliation records; • for a sample of revenue transactions we obtained third party confirmations from the customers for the revenue recorded in the period; • for a sample of revenue transactions close to the year-end we performed cut-off testing by agreeing the date of revenue recognition to supporting information such as shipment documentation and inventory records in addition to testing whether the preliminary amounts invoiced as per management's estimations agreed to supporting documentation; and • we assessed the adequacy of the related disclosures in notes 4 and 5 of the consolidated financial statements in relation to revenue recognition in accordance with the requirements of applicable IFRS Accounting Standards.

Rehabilitation Provision As at 30 September 2024, the Group's provision for environmental rehabilitation amounted to US$ 23 362 thousands in the consolidated financial statements. The provision for environmental rehabilitation costs is determined by management based on the net present value of estimated future costs for mine closure and rehabilitation with the assistance of independent environmental experts, and is based on the following key estimates and assumptions: • the Group's Environmental Management Plans which are developed in accordance with legal and regulatory requirements, the estimated life of mine plan and the planned methods of rehabilitation; • the quantum and timing of estimated future rehabilitation costs and cash flows, which vary to reflect the uncertainty over the final outcome of the amendment application submitted by the Group to the relevant authorities to amend the Group's mine closure plan; and • the discount rates, inflation rates and discount periods used in the calculation of the net present value of the provision.	In this area, our audit procedures included, amongst others, the following: • enquiries were made to management to obtain an understanding of the rehabilitation provision estimate including a review of the process that was followed, method of rehabilitation and the associated cost estimate, and how this relates to the mine closure plans; • obtained management's calculations for the rehabilitation provision as at 30 September 2024 and tested the mathematical accuracy of the schedule; • we evaluated and challenged the reasonableness of the Group's undiscounted estimated environmental costs detailed in the independent environmental expert's report. This was performed by: - evaluating the competence and objectivity of the independent environmental expert used by management; - enquiring the expert and verifying as to the source of the key inputs used such as the rates and quantities used, and assessing these sources as to their appropriateness; - recalculating the mine closure cost using the quantity and rates from the expert report and agreeing them to the calculation of the rehabilitation provision provided by management; - BDO environmental experts were engaged to assess the reasonableness of the key estimates and assumptions used in the independent expert's report, including the adequacy of the quantities applied; • we rationalised the expected life of mine to other information provided by management and experts, including the mining resource reports provided;

Refer to note 24 of the accompanying consolidated financial statements of the Group for more information. Due to the inherent uncertainty in estimating the rehabilitation provision, including the expected amount and timing of future environmental rehabilitation costs, and the size of the rehabilitation provision, the valuation of the provision for environmental rehabilitation was considered a key audit matter.	• we reviewed legal and other documentation and correspondence in relation to the current status of mine closure plan applications with the relevant authorities and evaluated how management addressed the uncertainty over the final outcome of the amendment application submitted by the Group to amend the Group's mine closure plan; • BDO Corporate Finance experts were engaged to assess the reasonableness and recalculate the applicable interest rate used in discounting the costs and cashflows of the provision; and • we assessed the adequacy of the related disclosures in note 24 of the consolidated financial statements in accordance with the requirements of applicable IFRS Accounting Standards.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, the Corporate Governance Report, the Chief Executive Officer and the Chief Finance Officer Responsibility Statement and the Statement by the Members of the Board of Directors and Company Officials, which we obtained prior to the date of this auditor's report, and the complete Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and if not corrected, we will bring the matter to the attention of the members of the Company at the Company's Annual General Meeting and we will take such other action as may be required.

Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements

The Board of Directors is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Board of Directors is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Regulatory Requirements

Pursuant to additional regulatory requirements in the Disclosure Rules and Transparency Rules sourcebook made by the UK Financial Conduct Authority, we report the following:

- In our opinion, based on the work undertaken in the course of the audit:
  (i) the Management Report has been prepared in accordance with applicable regulatory requirements;
  (ii) the information given in the Management Report is consistent with the consolidated and separate financial statements for the year ended 30 September 2024; and
  (iii) In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Management Report. We have nothing to report in this respect.

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Corporate Governance Report in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the UK Financial Conduct Authority (information about internal control and risk management systems in relation to financial reporting processes and about share capital structures):
  (i) is consistent with the consolidated and separate financial statements: and
  (ii) has been prepared in accordance with applicable regulatory requirements.

- In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Corporate Governance Report. We have nothing to report in this respect.

- In our opinion, based on the work undertaken in the course of the audit, rules 7.2.2, 7.2.3 and 7.2.7 in the Disclosure Rules and Transparency Rules sourcebook made by the UK Financial Conduct Authority (information about the Group's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees) have been complied with.

Other Matters

(i) This report, including the opinion, has been prepared for and only for the Company's members as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

(ii) As described in Note 2.1 of the consolidated financial statements and Note 2.1 of the separate financial statements, these financial statements have been prepared in accordance with IFRS Accounting Standards. We have reported separately on the Cyprus statutory consolidated and separate financial statements for the year ended 30 September 2024 prepared in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

(iii) The consolidated and separate financial statements of Tharisa plc for the year ended 30 September 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 12 December 2023.

The engagement partner on the audit resulting in this independent auditor's report is Terence Kiely.

Terence Kiely
Certified Public Accountant and Registered Auditor
for and on behalf of

BDO Limited
Certified Public Accountants (CY) and Registered Auditors

Nicosia, Cyprus
27 November 2024

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 September 2024

	Notes	**2024 US$'000**	2023 US$'000
Revenue	5	**721 394**	649 893
Cost of sales	6	**(536 785)**	(496 562)
Gross profit		**184 609**	153 331
Other income	7	**986**	2 372
Net foreign exchange gain/(loss)		**533**	(3 590)
Other operating expenses	9	**(66 573)**	(57 422)
Results from operating activities		**119 555**	94 691
Finance income	10	**8 597**	4 772
Finance costs	10	**(11 878)**	(7 101)
Changes in fair value of financial assets at fair value through profit or loss	33	**848**	5 151
Changes in fair value of financial liabilities at fair value through profit or loss	33	**557**	16 827
Profit before tax		**117 679**	114 340
Tax	12	**(35 037)**	(27 564)
Profit for the year		**82 642**	86 776
Other comprehensive income/(loss)			
Items that may be classified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		**32 721**	(12 831)
Other comprehensive income/(loss), net of tax		**32 721**	(12 831)
Total comprehensive income for the year		**115 363**	73 945
Profit/(loss) for the year attributable to:			
Owners of the Company		**82 895**	82 235
Non-controlling interest		**(253)**	4 541
		82 642	86 776
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		**115 616**	69 404
Non-controlling interest		**(253)**	4 541
		115 363	73 945
Earnings per share			
Basic earnings per share (US cents)	13	**27.7**	27.4
Diluted earnings per share (US cents)	13	**27.0**	27.2

The notes on pages 37 to 89 are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2024

	Notes	**2024 US$'000**	2023 US$'000
Assets			
Non-current assets			
Property, plant and equipment	14	**784 638**	609 694
Intangible assets	15	**7 261**	1 555
Financial assets	17	**9 561**	19 834
Deferred tax assets	18	**2 369**	1 709
Total non-current assets		**803 824**	632 792
Current assets			
Inventories	19	**82 354**	90 080
Trade and other receivables	20	**92 194**	103 741
Contract assets	21	**507**	1 876
Financial assets	17	**4 384**	2 404
Current taxation		**6 859**	1 851
Cash and cash equivalents	22	**217 675**	255 300
Total current assets		**403 973**	455 252
Total assets		**1 207 802**	1 088 044
Equity and liabilities			
Share capital and premium	23	**346 314**	346 296
Treasury shares	23	**(5 004)**	(3)
Other reserve	23	**47 245**	47 245
Foreign currency translation reserve	23	**(172 629)**	(205 350)
Retained earnings	23	**506 333**	427 686
Equity attributable to owners of the Company		**722 259**	615 874
Non-controlling interests	23	**57 323**	59 302
Total equity		**779 582**	675 176
Non-current liabilities			
Provisions	24	**23 362**	19 335
Borrowings	25	**50 366**	76 385
Other financial liabilities	26	**-**	11
Deferred tax liabilities	18	**134 692**	110 045
Total non-current liabilities		**208 420**	205 776
Current liabilities			
Provisions	24	**56 827**	47 715
Borrowings	25	**55 817**	63 271
Other financial liabilities	26	**40**	-
Current taxation		**877**	766
Trade and other payables	27	**105 732**	93 464
Contract liabilities	28	**507**	1 876
Total current liabilities		**219 800**	207 092
Total liabilities		**428 220**	412 868
Total equity and liabilities		**1 207 802**	1 088 044

The consolidated financial statements were authorised for issue by the Board of Directors on 27 November 2024

Phoevos Pouroulis
Director

Michael Jones
Director

The notes on pages 37 to 89 are an integral part of these consolidated financial statements.

tharisa plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2024

		Attributable to owners of the Company								
	Notes	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Other reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 October 2023		**303**	**345 993**	**(3)**	**47 245**	**(205 350)**	**427 686**	**615 874**	**59 302**	**675 176**
Total comprehensive income for the year										
Profit for the year		**-**	**-**	**-**	**-**	**-**	**82 895**	**82 895**	**(253)**	**82 642**
Other comprehensive income										
Foreign currency translation differences	23	**-**	**-**	**-**	**-**	**32 721**	**-**	**32 721**	**-**	**32 721**
Total comprehensive income/(loss) for the year		**-**	**-**	**-**	**-**	**32 721**	**82 895**	**115 616**	**(253)**	**115 363**
Transactions with owners of the Company										
Contributions by and distributions to owners										
Dividends paid	38	**-**	**-**	**-**	**-**	**-**	**(10 480)**	**(10 480)**	**-**	**(10 480)**
Issue of ordinary shares	23	**-**	**18**	**-**	**-**	**-**	**-**	**18**	**-**	**18**
Ordinary shares repurchased	23	**-**	**-**	**(5 001)**	**-**	**-**	**-**	**(5 001)**	**-**	**(5 001)**
Increase in shareholding of subsidiaries – Karo Mining Holdings plc	23	**-**	**-**	**-**	**-**	**-**	**1 726**	**1 726**	**(1 726)**	**-**
Equity-settled share-based payments	8, 23	**-**	**-**	**-**	**-**	**-**	**4 506**	**4 506**	**-**	**4 506**
Contributions by and distributions to owners of the Company		**-**	**18**	**(5 001)**	**-**	**-**	**(4 248)**	**(9 231)**	**(1 726)**	**(10 957)**
Total transactions with owners of the Company		**-**	**18**	**(5 001)**	**-**	**-**	**(4 248)**	**(9 231)**	**(1 726)**	**(10 957)**
Balance at 30 September 2024		**303**	**346 011**	**(5 004)**	**47 245**	**(172 629)**	**506 333**	**722 259**	**57 323**	**779 582**

Companies, which do not distribute 70% of their profits after tax, as defined by the relevant tax law in Cyprus, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 General Healthcare System contribution at a rate of 1,7% - 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 37 to 89 are an integral part of these consolidated financial statements.

tharisa plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2024

		Attributable to owners of the Company								
	Notes	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Other reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 October 2022		303	345 597	(3)	47 245	(192 519)	358 403	559 026	61 355	620 381
Total comprehensive income for the year										
Profit for the year		-	-	-	-	-	82 235	82 235	4 541	86 776
Other comprehensive loss										
Foreign currency translation differences	23	-	-	-	-	(12 831)	-	(12 831)	-	(12 831)
Total comprehensive (loss)/income for the year		-	-	-	-	(12 831)	82 235	69 404	4 541	73 945
Transactions with owners of the Company										
Contributions by and distributions to owners										
Dividends paid	38	-	-	-	-	-	(20 990)	(20 990)	-	(20 990)
Issue of ordinary shares	23	-	396	-	-	-	-	396	-	396
Increase in shareholding of subsidiaries – Karo Mining Holdings plc	23	-	-	-	-	-	6 594	6 594	(6 594)	-
Equity-settled share-based payments	8, 23	-	-	-	-	-	1 444	1 444	-	1 444
Contributions by and distributions to owners of the Company		-	396	-	-	-	(12 952)	(12 556)	(6 594)	(19 150)
Total transactions with owners of the Company		-	396	-	-	-	(12 952)	(12 556)	(6 594)	(19 150)
Balance at 30 September 2023		303	345 993	(3)	47 245	(205 350)	427 686	615 874	59 302	675 176

The notes on pages 37 to 89 are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 September 2024

	Notes	**2024 US$'000**	2023 US$'000
Operating cash flows before changes in working capital	29	**182 923**	142 599
Changes in:			
Inventories		**12 191**	(18 820)
Trade and other receivables and contract assets		**18 766**	39 583
Trade and other payables and contract liabilities		**9 819**	744
Provisions		**4 456**	6 923
		228 155	171 029
Income tax paid	30	**(23 616)**	(29 985)
Tax refunds received	30	**10**	7 225
Net cash flows generated from operating activities		**204 549**	148 269
Cash flows from investing activities			
Interest received	10	**8 020**	4 340
Additions to property, plant and equipment	14	**(194 996)**	(69 884)
Additions to intangible assets	15	**(5 645)**	(649)
Proceeds from disposal of property, plant and equipment	14	**1 930**	129
Additions to financial assets	17	**(194)**	-
Net cash flows used in investing activities*		**(190 885)**	(66 064)
Cash flows from financing activities			
Bank credit facilities advances	25	**53 832**	5 890
Repayment of bank credit facilities	25	**(33 126)**	(29 689)
Advances received from borrowings excluding credit facilities	25	**27 355**	180 082
Repayment of borrowings excluding credit facilities	25	**(81 687)**	(77 422)
Principal lease payments	25	**(2 126)**	(2 500)
Deposit of restricted bank deposit*	17	**-**	(14 268)
Refund of restricted bank deposit	17	**7 748**	-
Ordinary shares repurchased	23	**(5 001)**	-
Dividends paid	38	**(10 480)**	(20 990)
Interest paid	32	**(11 771)**	(6 357)
Net cash flows (used in)/generated from financing activities*		**(55 256)**	34 746
Net (decrease)/increase in cash and cash equivalents		**(41 592)**	116 951
Cash and cash equivalents at the beginning of the year		**255 300**	143 300
Effect of exchange rate fluctuations on cash held		**3 967**	(4 951)
Cash and cash equivalents at the end of the year	22	**217 675**	255 300

* *The increase in restricted bank deposit was previously presented as part of investing activities. Since the restricted bank deposit is directly attributable to the commodity off-take financing included in borrowings (refer to notes 17 and 25), the Group believes that the restricted bank deposit should have been presented as part of financing activities. At 30 September 2024, the increase in restricted bank deposit was reclassified to financing activities. The reclassification had no impact on the earnings of the Group at 30 September 2023.*

The notes on pages 37 to 89 are an integral part of these consolidated financial statements.

1. CORPORATE INFORMATION

Tharisa plc ('the Company') was incorporated in Cyprus on 20 February 2008 under registration number HE223412. The Company's ordinary shares are listed on the main board of the Johannesburg Stock Exchange ('JSE') as the primary listing and on the main board of the London Stock Exchange ('LSE') as a standard secondary listing. The Company is also listed (secondary listing) on the A2X Exchange in South Africa.

The Company's registered office is at Sofoklis Pittokopitis Business Centre, Offices 108-110, 17 Neophytou Nicolaides and Kilkis Streets, 8011 Paphos, Cyprus.

The principal activity of the Company and its subsidiaries, (together referred to as 'the Group'), is the exploitation of metals and minerals, principally platinum group metals ('PGMs') and chrome, the associated sales and logistics operations thereof as well as the development of a PGM mining project. The principal activity remains unchanged from the year ended 30 September 2023.

The principal subsidiaries of the Company are Tharisa Minerals Proprietary Limited ('Tharisa Minerals'), a wholly owned subsidiary established in South Africa and Karo Mining Holdings plc ('Karo Mining'), a company incorporated in Cyprus. The principal activity of Tharisa Minerals is PGM and chrome mining and processing. Tharisa Minerals' functional currency is the South African Rand ('ZAR'). The principal activity of Karo Mining is that of an investment holding company. The Company holds 76.22% of the issued ordinary share capital of Karo Mining at 30 September 2024. The main indirect subsidiary of Karo Mining is Karo Platinum (Private) Limited ('Karo Platinum'), a company incorporated in Zimbabwe. The principal activity of Karo Platinum is PGM mining, smelting and refining. The functional currency of Karo Platinum is the United States Dollar (note 16).

2.1. BASIS OF PREPARATION

Statement of compliance
These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the Listings Requirements of the JSE Limited and the requirements of the Cyprus Companies Law, Cap. 113. Statutory consolidated financial statements of the Company were additionally prepared in accordance with IFRS Accounting Standards as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113. These have been approved and issued on the same date and there are no material differences in the two sets of consolidated financial statements.

Basis of measurement
The consolidated financial statements are prepared on the historical cost basis, except for certain financial instruments that are stated at fair value (note 33).

Material accounting policies
The material accounting policies applied in the preparation of these consolidated financial statements are set out below. Where an accounting policy is specific to a note, the policy is described in the note which it relates to. These policies have consistently been applied to all years presented.

Functional and presentation currency
The consolidated financial statements are presented in United States Dollars ('US$') which is the Company's functional currency and presentation currency. Amounts are rounded to the nearest thousand. The functional currency of the Company's South African subsidiaries is the South African Rand ('ZAR'). The following US$: ZAR exchange rates were used in preparing the consolidated financial statements:

- Closing rate: ZAR17.27 (2023: ZAR18.91)
- Average rate: ZAR18.53 (2023: ZAR18.18)

Going concern
These consolidated financial statements have been prepared on a going concern basis.

Refer to notes 23 and 33 for statements on the Group's objectives, policies and processes for managing its capital, details of its financial instruments and hedging activities; its exposures to market risk in relation to commodity prices and foreign exchange risks; interest rate risk; credit risk; and liquidity risk.

2.2. STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT YEAR

The Group has adopted the following new and/or revised standards and interpretations which became effective for the year ended 30 September 2024 for which the nature and effect of the changes as a result of the adoption of these new accounting standards are described below:

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
In May 2021, the IASB issued amendments to IAS 12 Income Taxes which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a decommissioning asset and decommissioning liability (or lease asset or lease liability) give rise to taxable and deductible temporary differences that are not equal. This amendment had no impact on the Group's results for the year ended 30 September 2024.

2.2. STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT YEAR (continued)

Definition of Accounting Estimate – Amendments to IAS 8

The IASB has issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8) to clarify how entities should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. This is due to the term 'accounting estimate' not being defined and the previous definition of a 'change in accounting estimate' being unclear.

The amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendment has been applied prospectively and had no impact on the Group's results for the year ended 30 September 2024.

Disclosure of Accounting Policies – Amendments to IAS 1

To assist preparers of financial statements, the IASB had previously refined its definition of 'material' (effective 1 January 2020) and issued non-mandatory practical guidance on applying the concept of materiality. As the final step of the materiality improvements, the IASB issued amendments on the application of materiality to the disclosure of accounting policies. The key amendments include requirements for entities to disclose their material accounting policies rather than their significant accounting policies as well as certain clarifications regarding accounting policies related to material transactions or events.

The amendment has been applied prospectively and had no impact on the Group's results for the year ended 30 September 2024.

International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12

IAS 12 - Income Taxes was amended and requires entities during the period between the legislation being enacted or substantively enacted and the legislation becoming effective to disclose known or reasonable estimable information to their exposure to Pillar Two income taxes. The Group's consolidated income for the year ended 30 September 2024 is less than €750 million and consequently the Group is not subjected to the scope of the Organisation for Economic Co-operation and Development (OECD) Pillar Two model rules.

2.3. STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The new standards, interpretations and amendments to standards listed below are not effective and have not been early adopted, but will be adopted once these new standards, interpretations and amendments become effective. The Group notes the new standards, amendments and interpretations which have been issued but not yet effective and does not plan to early adopt any of the standards, amendments and interpretations. There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods.

Classification of Liabilities as Current or Non-current and Non-current liabilities with Covenants - Amendments to IAS 1

The International Accounting Standards Board (IASB) issued Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants, which amends IAS 1 Presentation of Financial Statements. The amendments affect requirements in IAS 1 for the classification of liabilities as current or non-current. The amendments clarify what is meant by a right to defer settlement, that a right to defer settlement must exist at the end of the reporting period, the classification is unaffected by the likelihood that an entity will exercise its deferral right, that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification, as well as the required disclosures in this regard. The amendment must be applied retrospectively and is effective for annual periods beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Group's results.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the IASB issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendments to IFRS 16 Leases specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments must be applied retrospectively to annual reporting periods beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Group's results.

Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Group's results.

Lack of Exchangeability - Amendment to IAS 21

In August 2023, the IASB issued Lack of Exchangeability (Amendments to IAS 21), specifying how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. These amendments must be applied retrospectively to annual reporting periods beginning on or after 1 January 2025. These amendments are not expected to have a material impact on the Group's results.

2.3. STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (continued)

Presentation and Disclosure in Financial Statements – IFRS 18

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information. The new standard must be applied retrospectively to annual reporting periods beginning on or after 1 January 2027. The impact of this new standard will be assessed on (and applied to) the Group's annual financial statements for the financial year ending 30 September 2028.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- clarified that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition, and introduced an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met;
- clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG-linked) features and other similar contingent features;
- clarified the treatment of non-resource assets and contractually linked instruments; and
- requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for reporting periods beginning on or after 1 January 2026. The impact of this new standard will be assessed on (and applied to) the Group's annual financial statements for the financial year ending 30 September 2027.

Annual Improvements to IFRS Accounting Standards—Volume 11

During July 2024, the IASB issued narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments, published in a single *document Annual Improvements to IFRS Accounting Standards—Volume 11, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS* Accounting Standards.

The amendments are:

- IFRS *1 First-time Adoption of International Financial Reporting Standards;*
- *IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;*
- *IFRS 9 Financial Instruments;*
- *IFRS 10 Consolidated Financial Statements; and*
- *IAS 7 Statement of Cash Flows.*

The amendments are effective for reporting periods beginning on or after 1 January 2026. The impact of this new standard will be assessed on (and applied to) the Group's annual financial statements for the financial year ending 30 September 2027.

2.4. BASIS OF CONSOLIDATION

The consolidated financial statements include, on a line-by-line basis, the financial statements of all subsidiaries. The following policies have been applied during the consolidation process:

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists where the Group is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the control commenced until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Foreign operations

As at the reporting date and on consolidation, the assets and liabilities of foreign subsidiaries, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency of the Group (US$) at the rate of exchange ruling at the reporting date and their statements of comprehensive income are translated at the weighted monthly average exchange rate for the period. The exchange differences arising in the translation on consolidation are recognised in other comprehensive income.

2.4. BASIS OF CONSOLIDATION (continued)

Foreign operations (continued)
Non-current monetary assets that are receivable from a foreign subsidiary and for which settlement is neither planned nor likely to occur in the foreseeable future, forms part of the net investment in a foreign operation and the resulting exchange differences are recognised in other comprehensive income. The repayment of such a balance is not considered to be a partial disposal and the cumulative exchange differences recognised in other comprehensive income is not reclassified to profit and loss, until the foreign entity is disposed of.

Foreign currency transactions
Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss. Foreign currency gains and losses are reported on a net basis.

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements and estimates made by management in the application of IFRS Accounting Standards that have a significant effect on the consolidated financial statements and major sources of estimation uncertainty are disclosed in the note relevant to the specific judgement or estimate. Management considers the following judgement and estimates to be the most significant:

Note 12 – Tax: Corporate income tax rate applicable to Zimbabwean subsidiaries and transfer pricing
Note 14 – Property, plant and equipment: Impairment of assets
Note 24 – Provisions: Provision for rehabilitation and provision for disputed mining royalty

4. OPERATING SEGMENTS

Accounting policy
Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations. The Board of Directors is of the view that the Group had four operating segments during the reporting period, the PGM segment, the chrome segment, the agency and trading segment and the manufacturing segment. The following is a description of the Group's current principal activities separated by reportable segment, from which the Group recognises its revenue.

PGM segment
The PGM segment principally generates revenue from the sale of PGM concentrate, which consists of the sale of platinum, palladium, rhodium, gold, ruthenium, iridium, nickel and copper. The Group enters into off-take agreements with customers for the supply of PGM concentrate.

Chrome segment
The Group currently produces metallurgical chrome concentrate and specialty chrome concentrates. It generates revenue from the sale of these products. The chrome market is typically a 'spot' market. The Group enters into short-term sale contracts. The Group also enters into long-term volume off-take agreements for the supply of chrome concentrates.

4. OPERATING SEGMENTS (continued)

Accounting policy (continued)

Agency and trading segment

The Group operates a third party chrome plant and markets and sells the chrome concentrate produced at this plant. The Group determines whether it acts as principal or agent by assessing whether the Group controls the transaction and what its performance obligations are. Considerations to determine control include whether the Group provides the performance obligation itself, the Group is primarily responsible for fulfilling the promise to provide the specified chrome concentrates, the Group has inventory risk before the specified products are transferred to the customer and the Group determines the selling price. In the absence of any of the aforementioned factors, control of the transaction may be doubtful and the Group would recognise the margin achieved in revenue as an agent. The Group believes that these factors are present and consequently the Group acts as principal. Metallurgical chrome concentrates are produced at this plant. The Group enters into short-term contracts for the sale of these chrome concentrates.

From time-to-time the Group enters into third-party logistics, third-party trading and third party chrome operations transactions which are aggregated together as the agency and trading segment.

Manufacturing segment

The Group manufactures and sells mining and mineral processing equipment which represents the manufacturing segment.

For management purposes, the chief operating decision maker of the Group, being the executive directors of the Company and the executive directors of the subsidiaries, reports its results per segment in order to assist them in making decisions regarding resource allocation as well as enabling them to evaluate performance.

Segment performance is evaluated on a PGM ounce production and sales basis and a chrome concentrate tonnes production and sales basis. The agency and trading segment performance is evaluated on third-party chrome concentrate tonnes production and sales basis. Third-party logistics, third-party trading and third party chrome operations are evaluated individually but aggregated together as the agency and trading segment. For the manufacturing segment, performance is evaluated on sales and gross profit basis.

The Group's administrative costs, financing (including finance income and finance costs) and income taxes are managed on a group basis and are not allocated to a segment.

Due to the integrated nature of the Group's PGM and chrome concentrate production processes, assets are reported on a consolidated basis and cannot necessarily be allocated to a specific segment. Consequently, assets are not disclosed per segment in the segmental information.

2024	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
Revenue	**154 541**	**491 274**	**68 535**	**7 044**	**721 394**
Cost of sales					
Manufacturing costs	**(110 808)**	**(225 736)**	**(44 696)**	**(4 575)**	**(385 815)**
Selling costs	**(554)**	**(96 155)**	**(11 521)**	**-**	**(108 230)**
Freight services	**-**	**(36 395)**	**(6 345)**	**-**	**(42 740)**
	(111 362)	**(358 286)**	**(62 562)**	**(4 575)**	**(536 785)**
Gross profit	**43 179**	**132 988**	**5 973**	**2 469**	**184 609**
2023					
Revenue	198 498	389 972	55 961	5 462	649 893
Cost of sales					
Manufacturing costs	(153 267)	(176 903)	(37 275)	(4 372)	(371 817)
Selling costs	(550)	(78 713)	(9 002)	-	(88 265)
Freight services	-	(32 133)	(4 347)	-	(36 480)
	(153 817)	(287 749)	(50 624)	(4 372)	(496 562)
Gross profit	44 681	102 223	5 337	1 090	153 331

The shared costs relating to the manufacturing of PGM and chrome concentrates are allocated to the relevant operating segments based on the relative sales value per product on an ex-works basis. During the year ended 30 September 2024, the relative sales value of chrome concentrates increased compared to the relative sales value of PGM concentrate compared to the comparative year and consequently the allocation basis of shared costs was revised to 32.0% for PGM concentrate and 68.0% for chrome concentrates. The allocation basis of shared costs was 45.0% (PGM concentrates) and 55.0% (chrome concentrate) for the year ended 30 September 2023.

Cost of sales includes a charge for the write off of property, plant and equipment totalling US$1.9 million (2023: US$3.2 million) which mainly relates to mining equipment. The write off has been allocated to the PGM and chrome segments in accordance with the allocation basis of shared costs as described in the preceding paragraph. Refer to the consolidated statement of profit or loss for a reconciliation between the gross profit and net profit after tax.

4. OPERATING SEGMENTS (continued)

Geographical information

The following table sets out information about the geographical location of:

(i) the Group's revenue from external customers and
(ii) the Group's property, plant and equipment and intangible assets ('specified non-current assets').

The geographical location analysis of revenue from external customers is based on the country of establishment of each customer. The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment and intellectual property and the location of the operation to which they are allocated in the case of goodwill.

(i) Revenue from external customers

2024	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
South Africa	**154 541**	**63 892**	**2 752**	**7 022**	**228 207**
China	**-**	**237 107**	**54 881**	**-**	**291 988**
Singapore	**-**	**147 207**	**-**	**-**	**147 207**
Hong Kong	**-**	**17 245**	**10 902**	**-**	**28 147**
United Arab Emirates	**-**	**25 823**	**-**	**-**	**25 823**
Other countries	**-**	**-**	**-**	**22**	**22**
	154 541	**491 274**	**68 535**	**7 044**	**721 394**
2023					
South Africa	198 498	47 365	3 686	5 081	254 630
China	-	170 659	52 275	-	222 934
Singapore	-	133 103	-	-	133 103
Hong Kong	-	17 313	-	-	17 313
Australia	-	5 381	-	-	5 381
United Arab Emirates	-	16 029	-	-	16 029
Japan	-	122	-	-	122
Other countries	-	-	-	381	381
	198 498	389 972	55 961	5 462	649 893

Revenue represents the sales value of goods supplied to customers, net of value-added tax. The following table summarises sales to customers with whom transactions have individually exceeded 5.0% (2023: 5.0%) of the Group's revenues.

	2024 Segment	US$'000	2023 Segment	US$'000
Customer 1	**Chrome**	**147 207**	PGM	128 131
Customer 2	**PGM and agency and trading**	**108 789**	Chrome	118 978
Customer 3	**Chrome and agency and trading**	**60 314**	Chrome and Agency and trading	51 187
Customer 4	**Chrome**	**59 945**	Chrome and Agency and trading	48 854
Customer 5	**Chrome and agency and trading**	**58 292**	PGM	41 543
Customer 6	**PGM**	**47 158**	Chrome and Agency and trading	39 100
Customer 7	**Chrome and agency and trading**	**45 576**	-	-

(ii) Specified non-current assets	2024 US$'000	2023 US$'000
South Africa	**437 997**	346 389
Zimbabwe	**345 724**	263 656
Cyprus	**8 178**	1 204
	791 899	611 249

Non-current assets comprises property, plant and equipment and intangible assets.

Judgement and estimates

Third-party logistics, third-party trading and third-party chrome operations are evaluated individually but aggregated together as the agency and trading segment. The Group believes that the nature of these operations are similar and it will be impractical to report on these operations individually.

5. REVENUE

Accounting policy

Sales revenue is recognised on individual sales when control transfers to the customer. Control transfers to the customer upon satisfaction of performance obligations within each contract. In most instances, control passes and sales revenue is recognised when the product is delivered to the vessel or vehicle on which it will be transported to the destination port or the customer's premises. There may be circumstances when judgment is required based on the five indicators of control below:

- The customer has the significant risks and rewards of ownership and has the ability to direct the use of, and obtain substantially all of the remaining benefits from the good or service.
- The customer has a present obligation to pay in accordance with the terms of the sales contract. For shipments under the Incoterms Cost, Insurance and Freight ('CIF') this is generally when the ship is loaded, at which time the obligation for payment is for both product and freight.
- The customer has accepted the asset. Sales revenue may be subject to adjustment if the product specification does not conform to the terms specified in the sales contract but this does not impact the passing of control.
- The customer has legal title to the asset. The Group usually retains legal title until payment is received for credit risk purposes only.
- The customer has physical possession of the asset. This indicator may be less important as the customer may obtain control of an asset prior to obtaining physical possession, which may be the case for goods in transit.

Revenue is presented net of Value Added Tax, rebates and discounts and after eliminating intergroup sales.

PGM revenue

Revenue from the sale of PGM concentrate is recognised based on the quantity of PGM concentrate delivered, prevailing market prices and exchange rates, when delivered to the customers in terms of the off-take agreements. Revenue recognised includes variable consideration as revenue is subject to quality and quantity adjustments, final pricing and currency adjustments after the beneficiation process is completed. Final pricing incurs at the latest 109 days after delivery. Revenue recognised is adjusted for finally determined quality, quantity and spot rates, which are estimated based on prevailing market information and recognised as a separate component within revenue. Adjustments to the sale price occur based on movements in the metal market prices and exchange rates up to the date of final pricing.

Any subsequent changes that arise due to differences between initial and final assay are still considered within the scope of IFRS 15 and are subject to the constraint on estimates of variable consideration. When considering the initial assay estimate, the Group has considered the requirements of IFRS 15 in relation to the constraint on estimates of variable consideration. It will only include amounts in the calculation of revenue where it is highly probable that a significant revenue reversal will not occur when the uncertainty relating to final quantity/assay/quality is subsequently determined.

Consequently, at the time the concentrate passes to the customer, the Group will recognise a receivable as from that time it considers it has an unconditional right to consideration. This receivable is accounted for in accordance with IFRS 9.

The provisional pricing features means the concentrate receivable fails to meet the requirements to be measured at amortised cost. Instead, the entire receivable is measured at fair value, with subsequent movements being recognised in profit or loss (refer to note 20).

Chrome and agency and trading revenue

Revenue arising from chrome concentrate sales under short-term sale contracts and off-take agreements is recognised when the chrome concentrate is delivered and a customer takes control of the chrome concentrate. Revenue is recognised based on the sale price in terms of the contract, the quantity delivered and the quality as determined by an independent survey. Export sales may, as specified in the contract, be subject to a final survey upon arrival at destination port. Revenue recognised for export sales is adjusted for expected final quality and quantity adjustments, which are estimated based on historical data for similar transactions.

The majority of the Group's metallurgical chrome concentrate is exported. For these export sales, the point of revenue recognition is dependent on the contract sales terms, known as the International Commercial Terms ('Incoterms'). For the Incoterms Cost, Insurance and Freight ('CIF') the seller must contract for and pay the costs and freight necessary to bring the goods to the named port of destination. This means that the Group is responsible (acts as principal) for providing shipping services and, in some instances, insurance after the date at which control of goods passes to the customer at the loading port.

Consequently, the freight service on export commodity contracts with CIF Incoterms represents a separate performance obligation as defined under IFRS 15 and as such, a portion of the revenue earned under these contracts, representing the obligation to perform the freight service, is deferred and recognised over time as the obligation is been fulfilled, along with the associated costs (refer to notes 21 and 28).

Since separate performance conditions exist for export commodity contracts with CIF Incoterms, the Group allocates the transaction price to the separate performance conditions on a relative stand-alone selling price basis. Observable information with specific reference to sea freight costs is used for allocation of the transaction price.

5. REVENUE (continued)

Accounting policy: chrome and agency and trading revenue (continued)
The Group also provides inland logistics services to customers. These services include ad hoc short-haul logistics services. Revenue from ad hoc short-haul logistics services is recognised at a point in time as the performance obligation has been fulfilled which is the delivery of the specified goods. Any earned consideration, which is conditional, will be recognised as a contract asset rather than a trade and other receivable.

Payment terms and conditions vary by contract type and delivery method, although for Free Carrier ('FCA') sales terms generally include a requirement of payment upon completion of delivery of the products. For export chrome concentrate transactions, payment terms vary from 30 to 90 days, however, the Group obtains a letter of credit from a reputable bank in most instances before shipment occurs.

In the instance where the timing of revenue recognition differs from the timing of invoicing, the Group has determined that due to the short-term nature, the contracts with customers generally do not include a significant financing component. The primary purpose of the Group's invoicing terms is to provide customers with simplified and predictable ways of purchasing products, not to receive financing from customers or to provide financing to customers. Similarly, due to the short-term nature of unearned revenue received, being less than 12 months. No financing component exists in line with the applied practical expedient in IFRS 15.

Commissions recognised from costs to obtain a contract with a customer
The Group applies the practical expedient according to IFRS 9 and consequently recognises the incremental costs, arising from the concluding of sale contracts, as expenses in cost of sales in the statement of profit or loss when incurred. Such commissions relate to the chrome segment and are short-term in nature.

Manufacturing revenue
Revenue from the sale of mining equipment is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment at the customer's location. The Group considers whether there are other undertakings in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of mining equipment, the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customer. Currently there aren't any other undertakings.

2024	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
Revenue recognised at a point in time					
Variable revenue based on initial results	**156 699**	**394 305**	**61 983**	**-**	**612 987**
Quality and quantity adjustments	**(633)**	**(3 318)**	**(1 104)**	**-**	**(5 055)**
Revenue based on fixed selling prices	**-**	**63 892**	**1 311**	**7 044**	**72 247**
Revenue recognised over time					
Freight services	**-**	**36 395**	**6 345**	**-**	**42 740**
Revenue from contracts with customers	**156 066**	**491 274**	**68 535**	**7 044**	**722 919**
Fair value adjustments (refer to note 33)	**(1 525)**	**-**	**-**	**-**	**(1 525)**
Total revenue	**154 541**	**491 274**	**68 535**	**7 044**	**721 394**
2023					
Revenue recognised at a point in time					
Variable revenue based on initial results	218 843	313 648	49 737	-	582 228
Quality and quantity adjustments	(5 289)	(3 174)	(100)	-	(8 563)
Revenue based on fixed selling prices	-	47 365	1 977	5 462	54 804
Revenue recognised over time					
Freight services	-	32 133	4 347	-	36 480
Revenue from contracts with customers	213 554	389 972	55 961	5 462	664 949
Fair value adjustments (refer to note 33)	(15 056)	-	-	-	(15 056)
Total revenue	198 498	389 972	55 961	5 462	649 893

During the year ended 30 September 2024, revenue from freight services of US$1.9 million (2023: US$2.1 million) was recognised which was classified as a contract liability at 30 September 2023 (2023: 30 September 2022).

5. REVENUE (continued)

Judgements and estimates

A significant portion of the Group's chrome revenue is derived from commodity sales for which the point of recognition is dependent on the contract sales terms known as the International Commercial Terms ('Incoterms'). Under Incoterms cost, insurance and freight ('CIF'), the seller is required to contract, and pay, for the costs and freight necessary to bring the goods to a named port of destination.

Consequently, the Group believes that the freight service on export commodity contracts with CIF Incoterms represents a separate performance obligation as defined under IFRS 15 and as such, a portion of the revenue earned under these contracts, representing the obligation to perform the freight service, is deferred and recognised over time as the obligation is fulfilled, along with the associated costs.

Since separate performance conditions exist for export commodity contracts with CIF Incoterms, the Group allocates the transaction price to the separate performance conditions on a relative stand-alone selling price basis. Observable information with specific reference to sea freight costs is used for allocation of the transaction price.

The determination of revenue from the sale of PGM concentrates from the time of initial recognition of the sale through to final pricing requires management to re-estimate fair value of the price adjustment feature continuously. Management determines this with reference to actual spot prices.

6. COST OF SALES

2024	Mining US$'000	Processing US$'000	Manufacturing US$'000	Total US$'000
Drill and blast	**20 847**	**-**	**-**	**20 847**
Load and haul	**26 557**	**-**	**-**	**26 557**
Diesel	**21 496**	**1 000**	**-**	**22 496**
Maintenance	**19 584**	**1 257**	**-**	**20 841**
Salaries and wages	**12 255**	**15 183**	**985**	**28 423**
Bonuses	**1 103**	**1 849**	**70**	**3 022**
Provident fund contributions	**2 285**	**2 727**	**132**	**5 144**
Mining contractor*	**34 543**	**-**	**-**	**34 543**
Depreciation	**37 322**	**13 851**	**162**	**51 335**
Cost of commodities**	**55 390**	**38 207**	**-**	**93 597**
Write off of property, plant and equipment	**1 753**	**174**	**-**	**1 927**
Utilities	**758**	**19 476**	**171**	**20 405**
Materials and consumables	**-**	**26 500**	**3 212**	**29 712**
Overheads	**1 158**	**1 031**	**427**	**2 616**
Contractor and equipment hire	**-**	**6 192**	**26**	**6 218**
	235 051	**127 447**	**5 185**	**367 683**
State royalties				**8 499**
Change in inventories – finished products and ore stockpile				**9 633**
Selling costs				**108 231**
Freight services				**42 739**
Cost of sales				**536 785**

* Tharisa Minerals Proprietary Limited appointed a contractor to assist with waste removal to ensure sustainable access to the required reef horizons.

** Due to certain limitations on mining activities, Tharisa Minerals Proprietary Limited purchased ROM ore to maintain optimal plant throughput.

6. COST OF SALES (continued)

2023	Mining US$'000	Processing US$'000	Manufacturing US$'000	Total US$'000
Drill and blast	31 097	-	-	31 097
Load and haul	29 614	-	-	29 614
Diesel	43 122	1 562	-	44 684
Maintenance	29 871	4 319	-	34 190
Salaries and wages	33 686	16 040	1 269	50 995
Provident fund contributions	2 145	2 474	129	4 748
Mining contractor	1 797	-	-	1 797
Depreciation	27 422	9 487	116	37 025
Cost of commodities	56 766	28 688	-	85 454
Write off of property, plant and equipment	3 208	-	-	3 208
Utilities	910	16 732	82	17 724
Materials and consumables	-	26 409	2 380	28 789
Overheads	797	2 606	396	3 799
Contractor and equipment hire	-	5 483	-	5 483
	260 435	113 800	4 372	378 607
State royalties				9 714
Change in inventories – finished products and ore stockpile				(16 504)
Selling costs				88 265
Freight services				36 480
Cost of sales				496 562

7. OTHER INCOME

	2024 US$'000	2023 US$'000
Insurance proceeds received	**229**	1 497
Profit on disposal of property, plant and equipment	**57**	19
Reversal of credit loss allowance	**-**	114
Sundry sales	**260**	573
Consulting fees received	**418**	152
Rental income – as lessor	**22**	17
	986	2 372

8. SHARE-BASED PAYMENTS

Accounting policy

Equity settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share-based payment is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in the equity (retained earnings). At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The amount recognised as an expense is adjusted to reflect the revision of the original estimate.

Where the Company has the right to elect settlement either equity settled or cash settled, the share-based payment transactions will be treated as equity settled share-based payments as the Company does not have a present obligation to settle in cash.

8. SHARE-BASED PAYMENTS (continued)

Conditional awards ('LTIP') is the grant of shares in the Company where the risks and rewards of share ownership will vest on specific vesting dates with the employee subject to certain conditions. LTIPs will vest at the third anniversary of the grant for the 2021, 2022 and 2023 awards. These award, on vesting, may at the election of the Company, be either cash-settled or share-settled as provided for in the rules of the Plan.

Appreciation rights ('SARS') is the grant of an award by the Company where the employee is, subject to certain conditions, entitled to receive the increase in the share value above the award price. The awards may be exercised at any time up to five years from the date of the grant. The appreciation in value may, at the election of the Company, be either cash settled or share settled as provided for in the rules of the Plan. No SARS were issued during the years ended 30 September 2024 and 30 September 2023.

At 30 September 2024, the Company had the following three share-based payment arrangements with the corresponding performance conditions:

	Eighth award: 2021	Ninth award: 2022	Tenth award: 2023
Vesting period			
Grant date	8 Dec 2021	16 Jan 2023	14 Dec 2023
Vesting date	8 Dec 2024	16 Jan 2026	14 Dec 2026
Performance conditions		**Weighting**	
Actual PGM production compared to market guidance	33.33%	20%	20%
Actual chrome production compared to market guidance	33.33%	20%	20%
Achievement of Karo Platinum project deliverables	-	20%	20%
Actual three-year rolling return on invested capital exceeding the actual three-year rolling weighted cost of capital	11.11%	20%	20%
Performance against environmental plan to reduce carbon emissions by 30% by 2030	11.11%	10%	10%
Achievement of Vision 2025	11.12%	10%	10%

Eighth to tenth awards

These awards comprise of LTIPs only with the measurement periods being aligned to the Group's financial year-end of 30 September. The awards will vest on the third anniversary of the grant date. The three-year vesting period is divided into three annual measurement periods at 30 September, the result of each being aggregated at the end of the vesting period to determine the final vesting percentage. The vesting of these awards is subject to continued employment in good standing, achievement of the performance conditions (set out above) and the following additional conditions:

- The award will be reduced in each annual measurement period by one-third for each fatality that occurred during that measurement period.
- For avoidance of doubt, if any performance condition is not met in any annual measurement period and consequently is forfeited (either wholly or partially) as a result of failure to achieve the performance condition, but the performance condition is achieved in subsequent measurement periods the award will vest for that period as provided.
- The awards are subject to the rules governing the Plan and the final discretion of the Tharisa plc Remuneration Committee will prevail should there be any discrepancy.

8. SHARE-BASED PAYMENTS (continued)

LTIP valuation of share award at grant date:	First measurement period	Second measurement period	Third measurement period
2021 eighth award	US$1.52	US$1.52	US$1.52
2022 ninth award	US$0.92	US$0.92	US$0.92
2023 tenth award	US$0.51	US$0.51	US$0.51

The fair value at grant date of the LTIP awards was determined by present valuing the share price on grant date less the expected dividends and by using the following inputs:

	LTIP 2023 tenth Award	LTIP 2022 ninth Award	LTIP 2021 eighth Award
Spot price	**ZAR14.50**	ZAR20.10	ZAR27.00
Exchange rate ZAR:US$	**18.30**	17.00	15.71
Dividend yield[1]	**14.55%**	8.18%	4.16%
Risk-free interest rate (swap yield curve)[2]	**7.48%**	7.35%	5.76%
Forfeiture assumption[3]	**1.43%**	6.40%	0.10%

[1]The dividend yield was calculated by using forecast dividends which were estimated using a combination of broker consensus forecasts, historical dividend data, and the Company's view of the future dividends.
[2]The swap yield curve was independently constructed using a bootstrapping methodology together with a combination of traded money-market, FRA and swap rate inputs.
[3]This adjustment is made with reference to the percentage of employees that are not expected to fulfil the service based vesting conditions prior to the vesting dates, taking into account the forfeiture assumption based on participants' employee turnover history.

An expense of US$4.4 million (2023: US$2.0 million) was recognised in profit or loss.

A reconciliation of the movement in the Group's LTIP in the period under review is as follows:

2024	**Opening balance**	**Allocated**	**Vested**	**Forfeited***	**Total**
LTIP Ordinary shares	**11 978 371**	**5 171 870**	**-**	**(2 991 628)**	**14 158 613**
2023					
LTIP Ordinary shares	6 989 475	7 210 076	(287 476)	(1 933 704)	11 978 371

* Forfeits includes LTIPs awarded to employees that left the employment of the Group and forfeits relating to the interim measurement periods.

SARS
No SARS were issued during the years ended 30 September 2024 and 30 September 2023 and consequently no expense was recognised during these periods. In terms of previous awards, employees may exercise the SARS within five years from the grant date. During the year ended 30 September 2024, the sixth award was amended to allow employees an additional year to exercise these awards. Consequently the expiry date of this award is 30 June 2025. Number of SARS vested, not yet exercised:

Award date	**Expiry date**	**2024**	2023
30 June 2019 – sixth award	30 June 2025	**1 191 377**	1 193 009
Number of share options exercised during the year		**1 632**	729 914
Weighted average share price of options exercised during the year		**ZAR16.51**	ZAR21.87

Judgements and estimates
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by present valuing the share price on grant date less the expected dividends and by using a Binomial Tree model, using the aforementioned assumptions.

9. OTHER OPERATING EXPENSES

	2024 US$'000	2023 US$'000
Directors and staff costs		
Non-executive directors (refer to note 11)	**627**	637
Employees: salaries	**21 737**	19 889
bonuses	**3 288**	2 920
provident fund, medical aid and other contributions	**2 686**	2 690
	28 338	26 136
Fees paid to external auditors – external audit services	**889**	765
Fees paid to external auditors – tax compliance services	**-**	5
Bank charges and related fees	**474**	732
Consulting and business development cost	**5 098**	5 249
Consumables and repairs and maintenance	**2 177**	1 751
Corporate and social investment	**609**	480
Depreciation of property, plant and equipment	**3 383**	2 214
Amortisation of intangible assets	**4**	2
Equity-settled share-based payment expense	**4 388**	1 999
Expected credit loss allowance	**61**	-
Health and safety	**2 352**	2 277
Insurance	**3 460**	3 088
Legal and professional	**1 225**	563
Listing fees and investor relations	**439**	455
Office administration, rent and utilities	**2 324**	2 046
Research and development	**1 028**	1 247
Security	**1 738**	1 406
Telecommunications and IT related	**6 550**	5 245
Training	**879**	514
Travelling and accommodation	**769**	590
Write offs of property, plant and equipment	**13**	246
Sundry	**375**	412
	66 573	57 422
Average number of employees	**2 422**	2 290

10. FINANCE INCOME AND FINANCE COSTS

Accounting policy: finance income
Finance income comprises interest income on funds invested. Interest income is recognised in profit or loss as it accrues using the effective interest rate method.

Accounting policy: finance costs
Finance costs comprise interest expense on borrowings and unwinding of the discount on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest rate method.

	2024 US$'000	2023 US$'000
Finance income		
Interest received banks	**8 020**	4 340
Interest received South African Revenue Services	**8**	20
Interest received financial assets (note 17)	**569**	412
	8 597	4 772
Finance costs		
Interest expense borrowings (note 25)	**(11 774)**	(7 460)
Borrowing costs capitalised (note 14)	**2 592**	1 880
Interest expense South African Revenue Services	**(84)**	(14)
Amortisation of transaction costs of unutilised borrowing facilities	**(513)**	(256)
Interest expense other	**(110)**	(65)
Unwinding of present value of rehabilitation provision (note 24)	**(1 989)**	(1 186)
	(11 878)	(7 101)

11. DIRECTORS REMUNERATION

The remuneration of the Directors is set out in the following tables:

2024	Directors' fees US$'000	Salary US$'000	Bonus US$'000	Expense allowance US$'000	Share-based payments US$'000	Provident fund and risk benefits US$'000	Total US$'000
Executive directors							
LC Pouroulis[1]	**-**	**808**	**186**	**-**	**-**	**-**	**994**
P Pouroulis[1]	**-**	**580**	**165**	**6**	**-**	**51**	**802**
MG Jones[1]	**-**	**450**	**117**	**-**	**-**	**34**	**601**
Non-executive directors							
JD Salter	**162**	**-**	**-**	**-**	**-**	**-**	**162**
A Djakouris*	**40**	**-**	**-**	**-**	**-**	**-**	**40**
OM Kamal	**61**	**-**	**-**	**-**	**-**	**-**	**61**
C Bell	**122**	**-**	**-**	**-**	**-**	**-**	**122**
R Davey	**104**	**-**	**-**	**-**	**-**	**-**	**104**
G Zvaravanhu**	**52**	**-**	**-**	**-**	**-**	**-**	**52**
C Hao***	**43**	**-**	**-**	**-**	**-**	**-**	**43**
SWM Lo	**43**	**-**	**-**	**-**	**-**	**-**	**43**
Total	**627**	**1 838**	**468**	**6**	**-**	**85**	**3 024**
2023							
Executive directors							
LC Pouroulis[1]	-	772	157	-	230	-	1 159
P Pouroulis[1]	-	555	129	7	211	44	946
MG Jones[1]	-	432	97	-	165	29	723
Non-executive directors							
JD Salter	163	-	-	-	-	-	163
A Djakouris*	104	-	-	-	-	-	104
OM Kamal	60	-	-	-	-	-	60
C Bell	122	-	-	-	-	-	122
R Davey	104	-	-	-	-	-	104
SWM Lo	42	-	-	-	-	-	42
ZL Hong****	42	-	-	-	-	-	42
Total	637	1 759	383	7	606	73	3 465

* Resigned on 21 February 2024
** Appointed on 21 February 2024
*** Appointed on 1 October 2023
**** Resigned on 30 September 2023

[1] These salaries were paid by the Company and subsidiaries by which the directors are employed (Braeston Proprietary Limited and Dinami Limited).

Directors' share awards

Details of each plan are disclosed in note 8. Non-Executive Directors are not entitled to participate in the Group's share award plan. The number of LTIPs awarded to the Executive Directors are set out in the following tables:

2024	Opening balance	Allocated	Vested	Forfeited	Total
LC Pouroulis	**1 476 375**	**-**	**-**	**(305 681)**	**1 170 694**
P Pouroulis	**1 572 504**	**727 859**	**-**	**(369 995)**	**1 930 368**
MG Jones	**880 933**	**395 867**	**-**	**(208 628)**	**1 068 172**
	3 929 812	**1 123 726**	**-**	**(884 304)**	**4 169 234**
2023					
LC Pouroulis	860 710	808 473	(38 562)	(154 246)	1 476 375
P Pouroulis	898 038	886 354	(42 378)	(169 510)	1 572 504
MG Jones	512 824	483 377	(23 054)	(92 214)	880 933
	2 271 572	2 178 204	(103 994)	(415 970)	3 929 812

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12. TAX

Accounting policy

Income tax comprises current and deferred taxes. Income tax is recognised in profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

All deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes arise from the distribution of dividends which are recognised at the same time as the right to receive/pay is established.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

	2024 US$'000	2023 US$'000
Corporate income tax		
Cyprus – current year	**3 956**	3 760
Cyprus – prior year under provision	**1**	
South Africa – current year	**14 608**	21 552
South Africa – prior year (over)/under provision	**(124)**	739
	18 441	26 051
Deferred tax: originating and reversal of temporary differences (note 18)	**15 693**	609
Deferred tax – prior year under provision (note 18)	**156**	128
	15 849	737
Special contribution for defence in Cyprus	**227**	118
Dividend withholding tax	**520**	658
Tax charge	**35 037**	27 564

12. TAX (continued)

The entities within the Group are taxed in the countries in which they are incorporated and operate at the relevant tax rates as follows:

Country	2024	2023
Cyprus	**12.5%**	12.5%
South Africa	**27.0%**	27.0%
Zimbabwe	**15.0%**	15.0%
Guernsey	**0.0%**	0.0%
China	**25.0%**	25.0%

	Cypriot income tax rate		South African income tax rate	
Reconciliation between tax charge and accounting profit at applicable tax rates:	**2024 US$'000**	2023 US$'000	**2024 US$'000**	2023 US$'000
Profit before tax	**117 679**	114 340	**117 679**	114 340
Notional tax on profit before tax, calculated at the Cypriot/South African income tax rate of 12.5%/27.0% (2023: 12.5%/27.0%)*	**14 710**	14 293	**31 773**	30 872
Tax effects of:				
Different tax rates from the standard Cypriot/South African income tax rate	**16 209**	12 455	**(5 631)**	(5 069)
Tax exempt income				
Fair value adjustments	**(1)**	(1 887)	**(3)**	(4 076)
Interest received	**(432)**	(223)	**(934)**	(481)
Currency gains	**(73)**	(800)	**(157)**	(1 727)
Assessed losses utilised	**(14)**	-	**(29)**	-
Other	**(6)**	(6)	**(14)**	(12)
Non-deductible expenses				
Investment related expenses	**726**	574	**1 569**	1 239
Interest paid	**273**	115	**589**	248
Currency losses	**18**	789	**38**	1 704
Capital expenses	**874**	506	**1 889**	1 093
Other	**10**	-	**24**	-
Special contribution for defence in Cyprus	**190**	118	**410**	256
Dividend withholding tax - current year preference dividends	**520**	658	**1 123**	1 420
Dividend withholding tax - accrued dividends	**45**	42	**97**	90
Deferred tax - unremitted distributable reserves of foreign subsidiaries	**1 473**	620	**3 182**	1 339
Prior year under provision of current income tax	**99**	58	**214**	124
Deferred tax not raised: assessed losses	**224**	30	**483**	64
Recognition of deemed interest income for tax purposes	**192**	222	**414**	480
Tax charge	**35 037**	27 564	**35 037**	27 564

* These adjustments are tax effected at 12.5% (Cyprus) compared to 27.0% (South Africa) and therefore result in different amounts adjusted.

Under certain conditions interest income may be subject to defence contribution at the rate of 30.0% in Cyprus. Such interest income is treated as non-taxable in the computation of corporation taxable income. In certain instances, dividends received from abroad may be subject to defence contribution at the rate of 17.0%.

In terms of the Double Taxation Agreement between Cyprus and South Africa, dividend withholding tax at a rate of 5.0% (2023: 5.0%) is charged on dividends declared by the Company's South African subsidiaries. The Group's consolidated effective tax rate for the year ended 30 September 2024 was 29.8% (2023: 24.1%).

Other than Cyprus and South Africa, no provision for tax in other jurisdictions was made as these entities either sustained losses for taxation purposes or did not earn any assessable profits. At 30 September 2024, the Group had unutilised tax losses of US$170.0 million (2023: US$71.5 million) available for offset against future taxable income. No deferred tax asset has been raised as it is doubtful whether future taxable profits will exist for offset against these tax losses. The tax losses don't expire provided that the entity remains operational.

12. TAX (continued)

Transfer pricing

During the year ended 30 September 2024, the Group received an audit finalisation letter from SARS for Tharisa Minerals Proprietary Limited's ('Tharisa Minerals') 2018 and 2019 years of assessments, adjusting the margins charged by Tharisa Minerals on its cross-border transactions with Arxo Resources Limited. SARS contends that the taxable income of Tharisa Minerals for these years has been understated which resulted in reduced income tax paid to SARS. SARS has assessed Tharisa Minerals for additional income tax, penalties and a deemed dividend tax totalling US$12.3 million (ZAR233.0 million). The Group has requested a suspension of payment and is in the process of filing its objection against the assessment, however, there is uncertainty on the outcome of the objection process which could lead to a possible outflow of resources. The Group believes that its objection to the SARS assessment will be successful. Accordingly, the estimate of the contingent amount payable has not been provided for.

Judgement and estimates: taxes

Judgement is required in determining the liability for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws.

Judgement and estimates: Zimbabwean tax rate

Karo Platinum (Private) Limited ('Karo Platinum'), Karo Zimbabwe Holdings (Private) Limited ('Karo Zimbabwe') and Salene Chrome Zimbabwe (Private) Limited ('Salene') have been awarded a Special Economic Zone Licence ('SEZ') which stipulates a 15.0% corporate tax rate. Subsequent to being granted the SEZ, legislation was amended stipulating that mining companies were not eligible for the SEZ benefits. The Group obtained legal advice confirming that the legislation cannot be applied retrospectively. The Group has also engaged with regulatory authorities and is expecting a favourable outcome. Accordingly, while the standard Zimbabwean corporate tax rate is 24.72%, Karo Zimbabwe, Karo Platinum and Salene have applied the SEZ corporate tax rate of 15.0%.

Judgement and estimates: most meaningful tax rate

IAS 12 requires entities to disclose a tax rate reconciliation to enable users to understand whether the relationship between the accounting profit and taxation is unusual and to understand significant factors that could affect that relationship in the future. In preparation of the tax rate reconciliation, entities select a most meaningful tax rate to which the profit before tax is applied and to which the tax charge for the year is then reconciled. The Group previously selected the Cyprus corporate income tax rate as the most meaningful tax rate. Since the majority of the Group's profits are currently earned in South Africa, management considers that it is appropriate to include a tax rate reconciliation for which the South African income tax rate is selected as the most meaningful tax rate.

13. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share and headline and diluted headline earnings per share has been based on the profit attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding. Treasury shares are excluded from the weighted average number of ordinary shares outstanding. Allocated unvested conditional awards ('LTIP'), granted to employees at no cost in terms of the LTIP 2021 Award (first, second and third measurement periods), LTIP 2022 Award (first and second measurement periods) and the LTIP 2023 Award (first measurement period) that are still in employment within the Group at year-end, with the remaining vesting condition being to remain in employment as at the third anniversary of the grant date, result in a potential dilutive impact on the weighted average number of issued ordinary shares and have been included in the calculation of dilutive weighted average number of issued ordinary shares. Vested SARS issued to employees at award prices higher than the share price at 30 September were excluded from the calculation of diluted weighted average number of issued ordinary shares because its effect would be anti-dilutive.

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13. EARNINGS PER SHARE (continued)

	2024	2023
Basic and diluted earnings per share		
Profit for the year attributable to ordinary shareholders (US$'000)	**82 895**	82 235
Weighted average number of issued ordinary shares for basic and headline earnings per share ('000)	**299 072**	299 816
Dilutive impact of LTIP ('000)	**8 419**	2 896
Weighted average number of issued ordinary shares for diluted basic and diluted headline earnings per share ('000)	**307 491**	302 712
Earnings per share		
Basic (US$ cents)	**27.7**	27.4
Diluted (US$ cents)	**27.0**	27.2
Headline and diluted headline earnings per share		
Headline earnings for the year attributable to ordinary shareholders (US$'000)	**84 104**	84 811
Headline earnings per share (US$ cents)	**28.1**	28.3
Diluted headline earnings per share (US$ cents)	**27.4**	28.0

Reconciliation of profit to headline earnings

	2024		2023	
	Gross US$'000	**Net US$'000**	Gross US$'000	Net US$'000
Profit attributable to ordinary shareholders		**82 895**		82 235
Adjustments:				
Write off of property, plant and equipment	**1 942**	**1 418**	3 454	2 590
Insurance proceeds received	**(229)**	**(167)**	-	-
Profit on disposal of property, plant and equipment	**(57)**	**(42)**	(18)	(14)
Headline earnings		**84 104**		84 811

14. PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Mining assets and infrastructure

Mining assets and infrastructure typically include those costs incurred for the development of the mine, including the design of the mine plan, constructing and commissioning the facilities and preparation of the mine and necessary infrastructure for production. The mine development phase generally begins after completion of a feasibility study and ends upon the commencement of commercial production. Mining assets are measured at cost less accumulated depreciation and less any accumulated impairment losses. Expenditure, including evaluation costs, incurred to establish or expand productive capacity, to support and maintain that productive capacity prior to the commencement of commercial levels of production, are capitalised to assets under construction and transferred to mining assets and infrastructure when the mining venture reaches commercial production. Maintenance costs incurred to maintain current production are expensed.

The Tharisa Mine's (South Africa) remaining useful life of mine and infrastructure based on the remaining open pit life of mine and excluding future potential underground development, is currently estimated to be 17 (2023: 18 years) years.

Deferred stripping costs

All stripping costs incurred (costs incurred in removing overburden to expose the reef) during the production phase of a mine are treated as variable production costs and as a result are included in the cost of inventory during the period in which the stripping costs are incurred. However, any costs of overburden stripping in excess of the expected open-pit life average stripping ratio are deferred. Any costs deferred are capitalised to property, plant and equipment provided all the following conditions are met:

- it is probable that the future economic benefit associated with the stripping activity will be realised;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are charged to the consolidated statement of profit or loss as they are incurred. This deferred stripping asset is depreciated using the units of production method over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Accounting policy (continued)

General

Assets are initially measured at cost and are subsequently measured at cost less accumulated depreciation and less any accumulated impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate portion of normal production overheads. Directly attributable expenses relating to major capital projects and site preparation are capitalised until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs. Administrative and other general overhead costs are expensed as incurred. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Borrowing costs directly attributable to the construction or acquisition of qualifying assets are capitalised directly to the cost of the qualifying asset. To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, these borrowing costs shall be determined as the actual borrowing costs incurred on that borrowing.

Where an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalised when the costs can be reliably measured and if it is probable that the future economic benefits embodied within the component will flow to the Group. The carrying amount of the replaced component, if any, are derecognised.

Maintenance and day to day servicing and repairs, which neither materially add to the value of assets nor appreciably prolong their useful lives, are recognised in profit or loss.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount of the item and are recognised in profit or loss.

Depreciation

Depreciation of mineral rights and mining assets and infrastructure is calculated using the units-of-production method based on estimated economically recoverable proved and probable mineral reserves. Proved and probable reserves reflect estimated quantities of economically recoverable resources which can be recovered in the future from known mineral deposits. Depreciation is first charged on mining assets and infrastructure from the date on which they are available for use.

Mining fleet is depreciated using the units-of-production method based on estimated achievable machine hours.

For other property, plant and equipment, depreciation is recognised in profit or loss on a straight-line basis at rates that will reduce the carrying amounts to estimated residual values over the estimated useful lives of the assets. Leasehold improvements on premises occupied under leases are expensed over the shorter of the lease term and the useful lives.

Depreciation, unless otherwise stated, is calculated as follows:

- buildings at 10.0% pa
- motor vehicles at 20.0% pa
- computer equipment and software at 33.3% pa
- office equipment between 10.0% and 33.3% pa
- furniture at 20.0% pa

No depreciation is provided on freehold land and mine development assets under construction. Depreciation methods, residual values and useful lives are reviewed at least annually, and adjusted prospectively if appropriate, at each reporting date.

Exploration and evaluation expenditure

All exploration and evaluation expenditure, prior to obtaining the legal rights to explore a specific area, is recognised in profit or loss. After the legal rights to explore are obtained, exploration and evaluation expenditure, comprising the costs of acquiring prospecting rights and directly attributable exploration expenditure, is capitalised as a separate class of property, plant and equipment, on a project-by-project basis, pending determination of the technical feasibility and commercial viability.

The technical feasibility and commercial viability of extracting a mineral resource is generally considered to be determinable through a feasibility study and when proven reserves are determinable to exist. Upon determination of proven reserves, exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified to another appropriate class of property, plant and equipment. Subsequently, all costs directly incurred to prepare an identified mineral asset for production are capitalised to mine development assets. Amortisation of these assets commences once these assets are available for use. These assets will be measured at cost less accumulated amortisation and impairment losses.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Accounting policy

Minerals reserve

The estimation of reserves impacts the amortisation of property, plant and equipment, the recoverable amount of property, plant and equipment and the timing of rehabilitation expenditure.

Factors impacting the determination of proved and probable reserves include:

- commodity prices;
- the grade of mineral reserves;
- operational issues at the mine; and
- the reliability of the measurement of the fair value or cost of the asset.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its related CGU exceeds its recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs (group of units) and then, to reduce the carrying amount of the other assets in the CGU (group of units) on a pro rata basis.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely independent of the cash inflows of the other assets of the CGU.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed through profit or loss if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Leases

The Group recognises a right-of-use asset at the commencement date of the contract for all leases conveying the right to control the use of identified assets for a specified period. The commencement date is the date on which a lessor makes an underlying asset available for use by the lessee.

The right-of-use assets are initially measured at cost, which comprises the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying assets or restoring the site on which the assets are located, less any lease incentives.

Subsequent to initial measurement, the right-of-use assets are depreciated from the commencement date using the straight-line method over the shorter of the estimated useful lives of the right-of-use assets or the end of lease term. These are as follows:

Right-of-use asset	**Depreciation term in years**
Buildings and premises	Straight-line over the respective lease terms, between 3 and 5 years
Mining fleet	Based on estimated production hours

After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-of-use assets for short-term leases that do not contain a purchase option and have a lease term of 12 months or less and leases of low-value assets such as computer equipment.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

30 September 2024	Freehold land and buildings US$'000	Mineral rights US$'000	Mining assets and infrastructure US$'000	Mining fleet US$'000	Right-of-use asset: mining fleet US$'000	Motor vehicles US$'000	Computer equipment and software US$'000	Office equipment and furniture, community and site office improvements US$'000	Right-of-use asset: buildings US$'000	Total US$'000
Cost										
Balance at 30 September 2023	24 646	201 750	432 803	126 793	5 477	5 257	5 619	1 422	1 587	805 354
Additions	2 811	-	164 005	24 206	-	262	1 815	185	-	193 284
Borrowing costs	-	-	2 592	-	-	-	-	-	-	2 592
Lease agreements entered into	-	-	-	-	-	-	-	-	544	544
Disposals	-	-	(12)	(3 324)	-	(47)	-	-	-	(3 383)
Re-measurement	-	-	-	-	(35)	-	-	-	(3)	(38)
Write offs	(231)	-	(2 298)	(9 550)	(131)	(60)	(493)	(252)	-	(13 015)
Transfers	(4)	-	(70)	1 559	(1 559)	-	58	16	-	-
Exchange differences on translation	2 388	-	40 561	13 005	396	193	573	81	359	57 556
Balance at 30 September 2024	29 610	201 750	637 581	152 689	4 148	5 605	7 572	1 452	2 487	1 042 894
Accumulated depreciation and impairment										
Balance at 30 September 2023	1 989	-	121 393	59 322	4 799	1 645	4 705	683	1 124	195 660
Depreciation charge for the year	409	-	30 127	21 205	389	866	1 148	193	385	54 722
Disposals	-	-	(6)	(1 466)	-	(38)	-	-	-	(1 510)
Write offs	(62)	-	(2 298)	(8 082)	(76)	(34)	(397)	(126)	-	(11 075)
Transfers	-	-	-	1 559	(1 559)	-	-	-	-	-
Exchange differences on translation	170	-	12 681	6 610	376	2	450	40	130	20 459
Balance at 30 September 2024	2 506	-	161 897	79 148	3 929	2 441	5 906	790	1 639	258 256

Freehold land and buildings comprise various portions of the farms Elandsdrift 467 JQ, Buffelspoort 343 JQ and Farm 342 JQ, North West Province, South Africa. All land is freehold.

Property, plant and equipment, with the exception of motor vehicles, is insured at approximate cost of replacement. Motor vehicles are insured at market value. Land is not insured.

Included in additions to mining assets and infrastructure are additions to the deferred stripping asset of US$65.8 million (2023: US$4.4 million).

The estimated economically recoverable proved and probable mineral reserve of Tharisa Minerals Proprietary Limited was reassessed during October 2023 which gave rise to a change in accounting estimate. The remaining reserve that management had previously assessed was 107.2 Mt (during October 2022). During October 2023, the remaining reserve was assessed to be 85.1 Mt. As a result, the expected useful life of the plant and other assets, included in mining assets and infrastructure, decreased. The impact of the change on the actual depreciation expense, included in cost of sales, is an increased depreciation charge of US$0.1 million. The change in estimate was recognised prospectively.

Included in mining assets and infrastructure are projects under construction of US$168.6 million (2023: US$68.0 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 September 2024

14. PROPERTY, PLANT AND EQUIPMENT (continued)

30 September 2023	Freehold land and buildings US$'000	Mineral rights US$'000	Mining assets and infrastructure US$'000	Mining fleet US$'000	Right-of-use asset: mining fleet US$'000	Motor vehicles US$'000	Computer equipment and software US$'000	Office equipment and furniture, community and site office improvements US$'000	Right-of-use asset: buildings US$'000	Total US$'000
Cost										
Balance at 30 September 2022	23 200	201 750	387 329	111 271	6 456	2 989	4 197	1 332	1 733	740 257
Additions	2 529	-	60 979	27 292	-	2 387	1 625	147	-	94 959
Borrowing costs	-		1 880	-	-	-	-	-	-	1 880
Lease agreements entered into	-	-	-	-	-	-	-	-	211	211
Disposals	-	-	(147)	-	-	(36)	(5)	-	-	(188)
Re-measurement	-	-	-	-	1 364	-	-	-	62	1 426
Write offs	(6)	-	(631)	(7 733)	(338)	(16)	(58)	(3)	(348)	(9 133)
Transfers	-	-	(168)	1 746	(1 746)	84	86	(2)	-	-
Exchange differences on translation	(1 077)	-	(16 439)	(5 783)	(259)	(151)	(226)	(52)	(71)	(24 058)
Balance at 30 September 2023	24 646	201 750	432 803	126 793	5 477	5 257	5 619	1 422	1 587	805 354
Accumulated depreciation and impairment										
Balance at 30 September 2022	1 353	-	110 490	47 815	4 210	1 022	3 994	582	1 211	170 677
Depreciation charge for the year	706	-	16 439	18 819	1 044	796	963	162	310	39 239
Disposals	-	-	(55)	-	-	(19)	(4)	-	-	(78)
Write offs	(2)	-	(385)	(4 633)	(236)	(16)	(58)	(3)	(346)	(5 679)
Transfers	-		85	-	-	(81)	(1)	(3)	-	-
Exchange differences on translation	(68)	-	(5 181)	(2 679)	(219)	(57)	(189)	(55)	(51)	(8 499)
Balance at 30 September 2023	1 989	-	121 393	59 322	4 799	1 645	4 705	683	1 124	195 660

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Net book value	2024 US$'000	2023 US$'000
Freehold land and buildings	**27 104**	22 657
Mineral right	**201 750**	201 750
Mining assets and infrastructure	**475 684**	311 410
Mining fleet	**73 541**	67 471
Right-of-use mining fleet	**219**	678
Motor vehicles	**3 164**	3 612
Computer equipment and software	**1 666**	914
Office equipment and furniture, community and site office improvements	**662**	739
Right-of-use buildings and premises	**848**	463
	784 638	609 694

At 30 September 2024, trade and other payables include US$24.0 million (2023: US$25.3 million) owing to vendors providing capital goods and services to the Group.

Borrowing costs relating to the Karo Platinum project of US$2.6 million were capitalised during the year ended 30 September 2024 (2023: US$1.9 million). A capitalisation rate of 9.5% (2023: 9.5%) was used which is equal to the coupon of the bond listed on the Victoria Falls Stock Exchange (note 25). The bond was issued specific for the construction of the Karo Platinum project in Zimbabwe.

Capital commitments
At 30 September 2024, the Group's capital commitments for contracts to purchase property, plant and equipment amounted to US$46.9 million (2023: US$157.7 million).

Securities
At 30 September 2024 and 30 September 2023, US$23.2 million (2023: US$30.9 million) of the Group's mining fleet was pledged as security against the asset backed facilities (refer to note 25).

Write offs
During the year ended 30 September 2024, the Group scrapped individual assets with net book values totalling US$1.9 million (2023: US$3.2 million). The write offs during both the financial years mainly relate to yellow fleet equipment identified as no longer fit for use and premature component failures.

The mining component pre-mature failures are identified through the measurement of the hours depreciated for each component in relationship to the expected useful live. A write off is recognised for each component that did not reach its expected useful life. Further to this, mining fleet is also written off as identified from fleet that is confirmed as obsolete by management.

Impairment of assets
At 30 September 2024, the operational environment and circumstances of Salene Chrome Zimbabwe (Private) Limited ('Salene') have not improved and the operations remain on care and maintenance. The Group believes that due to a prolonged delay in start-up, an impairment indicator was still present at 30 September 2024. The carrying value of the Salene CGU of US$2.3 million was tested for impairment by determining the value in use and the fair value less cost to sell. The Group believes that no additional impairment is required at 30 September 2024 as the fair value less cost to sell of US$2.3 million exceeds the value in use and supports the recoverability of the Salene CGU.

At 30 September 2024, operations at Skyler Storm (Private) Limited ('Skyler') have not commenced and remained on care and maintenance. The Group believes that due to a prolonged delay in start-up, an impairment indicator was still present at 30 September 2024. The carrying value of the Skyler CGU had no value a 30 September 2024 and hence no impairment is required.

Karo Platinum Project
During the year ended 30 September 2024, development of the Karo Platinum Project was slowed down due to a delay in funding workstreams as a consequence of PGM market conditions together with a delay in the fiscal regime discussions with the Zimbabwean Government necessary for a Tier 1 project. The Group believes that due to the slow down, an impairment indicator is present at 30 September 2024. The carrying value of the Karo Platinum Project CGU of US$317.3 million was tested for impairment by determining the value in use. The Group performed a value in use calculation on a Karo Platinum CGU level by using a discounted cash flow forecast covering a period of 10 years which represents the life of the open cast mine, a PGM basket price of US$1 855 and a pre-tax weighted average cost of capital of 13.2%. The Group believes that the recoverable value of the CGU exceeds the carrying value of US$317.3 million. Consequently the Group believes that no impairment is required at 30 September 2024 as the value in use exceeds the carrying value and supports the recoverability of the Karo Platinum Project CGU. The Group is in possession of term sheets received from financiers and is currently assessing these while smaller work packages at the Karo Platinum Project are being completed.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Judgements and estimates: mineral reserves estimates

Economically recoverable ore reserves represent the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable economic conditions. The determination of ore reserves includes estimates and assumptions about a range of geological, technical and economic factors, including: quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand and commodity prices. Changes in ore reserves impact the assessment of recoverability of exploration and evaluation assets, property, plant and equipment, the carrying amount of assets depreciated on a units-of-production basis, provision for site rehabilitation and the recognition of deferred tax assets, including tax losses. The mineral reserve is re-assessed annually. The Group estimates and reports mineral reserves in accordance with the principles and guidelines contained in the South African Code for Reporting of Mineral Reserves of 2007, revised in 2016 (SAMREC 2016).

Judgements and estimates: assessment of CGU

The Group's main subsidiary, Tharisa Minerals Proprietary Limited ('Tharisa Minerals') is a vertically integrated operation. The Group believes that there is no active market for the run of mine ore ('ROM') mined at Tharisa Minerals due to the high volume being processed and as the ROM is of a relative low grade compared to other deposits in the same region. Tharisa Minerals' integrated processing plants are specifically designed to treat the volume and low grade ROM. Tharisa Minerals produces PGMs and chrome concentrates on a co-product basis and the operation is managed as a joint product mine. The Group therefore believes that the processing plants together with the mining assets are dependent on each other in order to generate cash inflows.

The Group therefore believes that the mining fleet and mining assets cannot generate cash inflows that are largely independent of the cash inflows from the processing plants and other assets or group of assets and as a result are not separate cash generating units. Consequently the Group believes that the mining assets and the processing plants together represents the smallest identifiable group of assets that generates cash inflows largely independent from other assets and represents a single CGU.

Karo Mining Holdings plc ('Karo') and subsidiary companies collectively in future will generate cash inflows independently. The Group therefore believes that Karo together with its subsidiaries represents the smallest identifiable group of assets that will generate cash inflows largely independent from other assets and represents another single CGU.

Judgements and estimates: impairment of assets

Indicators for impairment on non-financial assets are assessed at each reporting period. Should an indication exist, individual assessments of property, plant and equipment are performed based on the technical, economic and business circumstances.

Judgements and estimates: depreciation

Mining assets and infrastructure are depreciated using the units-of-production method. Management has elected to use the tonnes mined in relation to tonnes proved and probable mineral reserve as an appropriate units-of-production depreciation method. Changes in the proved and probable mineral reserve will impact the useful lives of the assets depreciated based on this method. The average remaining useful life of the open pit mine is estimated at 17 years (2023: 18 years).

Refer to the Accounting Policies for the depreciation of the remaining assets.

Judgements and estimates: deferred stripping

IFRIC 20 requires that production stripping costs in a surface mine be capitalised to non-current assets if, and only if, all of the following criteria are met:

- it is probable that the future economic benefit associated with the stripping activity will flow to the entity;
- the entity can identify the component of the ore body for which access has been improved; and
- the costs relating to the stripping activity associated with that component can be measured.

The Group uses a long-term life of opencast mine stripping ratio which consists of actual historical numbers and forecast numbers. The forecast numbers are updated annually according to the Reserve and Resource Statement. In the event that the actual stripping ratio exceeds the life of mine stripping ratio, the actual weighted average stripping cost associated with the stripping ratio that is in excess of the life of mine stripping ratio is deferred and capitalised to property, plant and equipment. Excess deferred stripping costs are only capitalised if it can be reliably measured and if the open pit is improved and/or the ore body is exposed for future benefit.

15. INTANGIBLE ASSETS

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with finite useful lives are amortised using the straight-line method over their estimated useful lives. Residual values of intangible assets are presumed to be zero and along with their useful lives are reassessed on an annual basis.

Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For goodwill and intangible assets that have indefinite lives or are not yet available for use, the recoverable amount is estimated annually as to whether or not there is any indication of impairment.

For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. An impairment loss in respect of goodwill is not reversed.

	2024			2023		
Cost	**Goodwill US$'000**	**Intellectual property US$'000**	**Total US$'000**	Goodwill US$'000	Intellectual property US$'000	Total US$'000
Balance at 1 October	**2 579**	**956**	**3 535**	2 634	311	2 945
Additions	**-**	**5 645**	**5 645**	-	649	649
Effect of movement in exchange rates	**113**	**9**	**122**	(55)	(4)	(59)
Balance at 30 September	**2 692**	**6 610**	**9 302**	2 579	956	3 535
Accumulated amortisation and impairment losses						
Balance at 1 October	**1 978**	**2**	**1 980**	2 005	-	2 005
Amortisation for the year	**-**	**4**	**4**	-	2	2
Effect of movement in exchange rates	**56**	**1**	**57**	(27)	-	(27)
Balance at 30 September	**2 034**	**7**	**2 041**	1 978	2	1 980
Carrying amount	**658**	**6 603**	**7 261**	601	954	1 555

The goodwill arose on the acquisitions of Braeston Proprietary Limited, Arxo Logistics Proprietary Limited, MetQ Proprietary Limited and Salene Chrome Zimbabwe (Private) Limited.

The goodwill relating to Braeston Proprietary Limited (US$0.2 million) was attributed to the synergies of operations at the Group's head office and established client and supplier relationships. The goodwill was allocated to the PGM and chrome operating segments.

The goodwill relating to Arxo Logistics Proprietary Limited (US$0.5 million) was attributed to supplier relationships specific to the transport and sea freight industry and skills and knowledge of the workforce. The goodwill was allocated to the chrome operating segment.

The goodwill relating to MetQ Proprietary Limited (US$0.5 million) was impaired in full during the year ended 30 September 2022. The goodwill is not tax deductible.

The goodwill relating to Salene Chrome Zimbabwe (Private) Limited (US$1.4 million) was impaired in full during the year ended 30 September 2022. The goodwill is not tax deductible.

The recoverable amount of the remaining goodwill was calculated based on the value in use of the operating segment to which the goodwill was allocated and was higher than the carrying values.

The recoverable amounts of the operating segments were determined based on discounted cash flows approved by management covering a sixteen-year period, which represents the estimated opencast life of mine at 30 September 2024. The cash flows were discounted using a real discount rate of 13.3% (2023: 12.2%) for South African operations, an exchange rate of ZAR17.27:US$1; (2023: ZAR17.80 US$1) spot PGM basket price of US$1 545/oz (2023: US$1 889/oz) and spot chrome concentrate prices of US$276/tonne (2023: US$280/tonne). The discount rate used was a pre-tax real rate and reflects specific risks relating to the relevant operating segment. Cash flows are based on the life-of-mine plan that takes into account proved and probable ore reserves and appropriate capital expenditure estimates.

It is estimated that a decrease of 15.9% (from US$276/tonne to US$232/tonne) in the long-term real chrome concentrate price would cause the recoverable amount of goodwill to equal its carrying amount without any other changes in key assumptions.

15. INTANGIBLE ASSETS (continued)

Judgements and estimates: allocation of goodwill
The Group believes that the mining assets and the processing plants together represents the smallest identifiable Group of assets that generates cash inflows largely independent from other assets and represents a single CGU, refer to note 14. IAS 36 does not prohibit entities having a CGU larger than its operating segments. However, in such circumstances where a CGU is larger than its operating segments, goodwill should be allocated and tested on an operating segment level. The Group has consequently allocated and tested the goodwill on an operating segments level.

Intellectual property
The Group acquired certain intellectual property associated with the development and commercialisation of an electrical energy storage device suitable for large scale static applications and ultimately suitable for large scale usage of chrome concentrates. The Group believes that potential cash inflows resulting from the application of the intellectual property to the Group's existing operational processes and products will exceed the carrying value and hence no impairment was recognised. At 30 September 2024 and 30 September 2023, the Group continued to assess that the majority of the intellectual property has an indefinite useful life.

During the year ended 30 September 2024, the Group acquired certain intellectual property associated with the PGM beneficiation process, specifically suitable for the PGM concentrate produced by the Group. The Group believes that applying the intellectual property to the PGM refining process will result in numerous enhancements compared to the conventional PGM refining process. At 30 September 2024, the intellectual property was not available yet for its intended use, hence no amortisation has been recognised.

16. GROUP COMPOSITION

The Group holds 100% of the voting rights in all subsidiaries apart from Karo Mining Holdings plc ('Karo Mining') (76.22% holding, 2023: 75.00% holding). For the increase in shareholding within Karo Mining, refer to note 23.

The following table summarises the information relating to the Company's subsidiaries with material non-controlling interests, Karo Mining Holdings plc owns 85.0% of the voting rights of Karo Platinum (Private) Limited. The non-controlling interests of Karo Mining and subsidiaries before any inter-group eliminations were:

	2024 US$'000	2023 US$'000
Non-current assets	**140 878**	57 670
Current assets	**15 749**	79 639
Non-current liabilities	**(36 376)**	(36 463)
Current liabilities	**(19 325)**	(17 419)
Net assets	**100 926**	83 427
Carrying amount of non-controlling interest in the net assets of Karo Mining Holdings Plc	**(1 653)**	(1 552)
Fair value adjustments on the net assets at acquisition attributable to non-controlling interest	**55 451**	55 451
Value of net assets attributable to non-controlling interest, taking acquisition adjustments into account	**53 798**	53 899
Net (loss)/profit after tax and total comprehensive (loss)/income	**(2 501)**	13 528
Non-controlling interest in loss after tax	**(101)**	(64)
Cash flows generated from/(used in) operating activities	**13 430**	(8 352)
Cash flows used in investing activities	**(79 631)**	(41 948)
Cash flows generated from financing activities	**16 501**	99 803
Net change in cash and cash equivalents	**(49 700)**	49 503

Judgements and estimates: functional currency
In accordance with IAS21, Karo Holdings has considered the following factors in the determination of the functional currency:
- Currency of sales and future sales. While operations are still in development phase, PGM concentrates sales are concluded in US$.
- Currency of operating costs. The majority of costs are paid in US$ to service providers in Zimbabwe, South Africa, Cyprus and Australia. Fees for services are quoted in US$. Karo Mining's subsidiaries obtained foreign exchange control approval to allow funds to be transferred into its Zimbabwean local account.
- Funding: the funding made available to Karo Holdings is denominated in US$.
- Cash flows: the cash flows comprised of US$ denominated intergroup loans paid directly to the service providers and suppliers of goods;
- Group considerations: Karo Zimbabwe Holdings (Private) Limited is a 100% subsidiary of Karo Mining. In terms of degree of autonomy of Karo Zimbabwe Holdings (Private) Limited and its subsidiaries, the group is dependent on the holding company.

The Group concludes that the functional currency of Karo Mining and subsidiaries is the US$. The Zimbabwean government has issued a number of Statutory Instruments while it has been managing in a hyper inflationary economic environment with a shortage of hard foreign currency reserves.

17. FINANCIAL ASSETS

Accounting policy

Measurement: Financial assets at amortised cost

Financial assets at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost less any allowance for impairment.

Measurement: Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

Derecognition: Financial assets

The Group derecognises financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognised in the statement of profit or loss.

Hedge accounting

The Group does not apply hedge accounting.

Accounting policy: impairment

Financial asset at amortised cost

Impairment requirements are based on expected credit losses (expected credit loss model). Expected credit losses ('ECLs') are an estimate of credit losses over the life of a financial instrument and are recognised as a loss allowance or provision. The amount of ECLs to be recognised depends on the extent of credit deterioration since initial recognition.

The Group applies the expected credit loss model to all debt instruments classified as measured at amortised cost, or at fair value through other comprehensive income, including lease receivables and contract assets.

The Group considers both approaches: the general approach and the simplified approach. For trade receivables (not subject to provisional pricing) due in less than 12 months, the group applies the simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Group considers its historical credit loss experience, adjusted for forward looking factors that could indicate impairments taking into account the specific debtors and the economic environment.

The general approach requires the assessment of financial assets to be split into 3 stages:
Stage 1: no significant deterioration in credit quality. This identifies financial assets as having a low credit risk, and the asset is considered to be performing as anticipated. At this stage, a 12 month expected credit loss assessment is required.

Stage 2: significant deterioration in credit quality of the financial asset but no indication of a credit loss event. This stage identifies assets as under-performing. Lifetime expected credit losses are required to be assessed.

Stage 3: clear and objective evidence of impairment is present. This stage identifies assets as non-performing financial instruments. Lifetime expected credit losses are required to be assessed.

Once a default has occurred, it is considered a deterioration of credit risk and therefore an increase in the credit risk.

The Group considers a wide variety of indicators when assessing the increase in credit risk as well as the probability of the default happening for impairment purposes. Some indicators considered include: significant changes in the expected performance and behaviour of the debtor; past due information; significant changes in external market indicators including market information related to the debtor, existing or forecast adverse changes in business, financial or economic conditions; an actual or expected significant adverse change in the regulatory, economic, or technological environment; actual or expected significant internal credit rating downgrade or decrease; actual or expected significant change in the operating results of the debtor.

The expected credit loss value is determined as the estimated cash shortfall that would be incurred, multiplied by the probability of the default occurring

17. FINANCIAL ASSETS (continued)

Non-current assets	Fair value hierarchy	2024 US$'000	2023 US$'000
Financial assets			
Investments in money markets, current accounts, cash funds and income funds	Level 2	**7 485**	6 040
PGM commodity hedging derivative	Level 2	**14**	81
Restricted bank deposit		**2 062**	13 713
		9 561	19 834
Current assets			
Financial assets			
PGM commodity hedging derivative	Level 2	**-**	2 288
Forward exchange contracts	Level 2	**366**	68
Investments in equity instruments	Level 1	**80**	48
Restricted bank deposit		**3 938**	-
		4 384	2 404

The carrying amounts of other non-current and current assets carried at amortised cost approximate their fair value.

Investments in money markets, current accounts, cash funds and income funds
Investment in money market and current accounts totalling US$6.6 million (2023: US$5.3 million) is managed by Centriq Insurance Company Limited ('Centriq'). The investment serves as security for the guarantee issued by Centriq to the Department of Mineral Resources for the rehabilitation provision. The guarantee issued by Centriq has a fixed cover period from 1 December 2023 to 30 November 2026.

Investment in cash funds and income funds of US$0.9 million (2023: US$0.7 million) is managed by Stanlib Collective Investments. The investment is ceded to Lombard Insurance Group ('Lombard') against a US$0.7 million (ZAR12.0 million) (2023: US$0.6 million (ZAR12.0 million)) guarantee issued by Lombard on behalf of Arxo Logistics Proprietary Limited to Transnet Freight Rail, a division of Transnet SOC Limited. These investments are separately administered and the Group's right of access to these funds is restricted.

The investments in cash funds and income funds are held at fair value through profit or loss. The underlying investments are in money market and other funds and the fair value has been determined by reference to their quoted prices.

PGM commodity hedging derivative
In terms of the commodity off-take financing (note 25), the lenders require commodity price protection for capital repayment amounts against commodity price volatility. The PGM commodity hedging derivative comprises of commodity hedges for a maximum 13-month rolling basis for platinum and palladium. The Group enters into commodity hedges over sufficient of the production to match the capital repayment profile. The total exposure at 30 September 2024 for contracts expiring between 1 October 2025 and 15 October 2026 (2023: 15 October 2024) was US$46.3 million (2023: US$63.8 million). The commodity hedges were mark-to-market by using applicable quoted closing commodity prices at 30 September 2024.

The total exposure at 30 September 2024 for contracts expiring no later than 15 October 2024 was US$1.8 million resulting in a liability of US$40 thousand (2023: asset of US$2.3 million) (refer to note 26).

Restricted bank deposit
The balance represents a debt reserve account held at Absa Bank Limited and serves as security as required by the commodity off-take financing (refer to note 25). The balance arose on 22 September 2023 and represents cash in the name of Tharisa Minerals Proprietary Limited. Tharisa Minerals Proprietary Limited is unable to utilise the funds on demand due to access restrictions placed by lenders in accessing the account, which is only allowed if certain criteria within the commodity off-take financing agreement are satisfied. The balance is equal to approximately three months' instalments in terms of the commodity off-take financing with the required balance to be maintained dependent on the debt profile. The current balance became available on 15 October 2024.

Forward exchange contracts – fair value through profit or loss
The Group entered into a number of forward exchange contracts to hedge certain aspects of the foreign exchange risk associated with the conversion of the US$ to the ZAR. At 30 September 2024 the net exposure of these contracts was US$20.0 million (2023: US$11.0 million) with various expiries no later than 15 October 2024 (2023: no later than 16 November 2023). The forward exchange contracts were mark-to-market by using applicable closing exchange rates at 30 September 2024 (2023: 30 September 2023).

Investments in equity instruments – fair value through profit or loss
Investments at fair value through profit or loss are valued based on quoted market prices at the end of the reporting period without any deduction for transaction costs. The investment represents shares in the Bank of Cyprus Public Co Limited.

18. DEFERRED TAX

	2024 US$'000	2023 US$'000
Deferred tax assets	**2 369**	1 709
Deferred tax liabilities	**(134 692)**	(110 045)
Net deferred tax liability	**(132 323)**	(108 336)
Deferred tax assets		
Property, plant and equipment	**(112)**	(62)
Tax losses not utilised	**216**	501
Provisions and accrued leave	**550**	461
Share-based payments	**1 710**	731
Dividend withholding tax	**(7)**	-
Other	**12**	78
	2 369	1 709
Deferred tax liabilities		
Property, plant and equipment	**(136 205)**	(114 078)
Inventory	**1 701**	2 730
Provisions and accrued leave	**7 577**	6 106
Share-based payments	**329**	160
Dividend withholding tax	**(211)**	(166)
Dividend withholding tax - unremitted distributable reserves of foreign subsidiaries	**(7 325)**	(4 143)
Exchange losses	**(33)**	(422)
Other	**(525)**	(232)
	(134 692)	(110 045)
Reconciliation of deferred tax liability		
Balance at the beginning of the year	**(108 336)**	(111 167)
Temporary differences recognised in profit or loss in relation to:		
Capital allowances on property, plant and equipment	**(13 696)**	(3 375)
Provisions and accrued leave	**1 423**	1 533
Tax losses utilised/available for future set off against profits	**(304)**	177
Currency losses	**(253)**	(497)
Inventory	**(1 029)**	2 730
Share-based payments	**991**	293
Dividend withholding tax	**(52)**	(42)
Dividend withholding tax - unremitted distributable reserves of foreign subsidiaries	**(3 182)**	(1 339)
Other	**253**	(217)
	(15 849)	(737)
Exchange differences	**(8 138)**	3 568
Balance at the end of the year	**(132 323)**	(108 336)
Amounts recognised in:		
Profit and loss (refer to note 12)	**(15 849)**	(737)

Deferred tax assets and deferred tax liabilities are not offset unless the Group has a legally enforceable right to offset such assets and liabilities.

All of the above amounts have used the currently enacted income taxation rates of the respective tax jurisdictions the Group operates in. South African taxation losses normally expire within 12-months of the respective entities not trading. The deductible temporary timing differences do not expire under current taxation legislation. Deferred tax assets have only been recognised in terms of these items when it is probable that taxable profit will be available in the immediate future against which the respective entities can utilise the benefits therefrom.

Deferred tax assets were recognised for MetQ Proprietary Limited (US$0.2 million) (2023: US$0.2 million) and Arxo Finance plc (US$0.1 million) (2023: US$0.1 million) resulting from generated tax losses to be utilised against future taxable income.

The estimates used to assess the recoverability of recognised deferred tax assets include a forecast of the future taxable income and future cash flow projections.

19. INVENTORIES

Accounting policy
Inventories comprising PGM and chrome concentrates, ore stockpiled, in-process metal contained in ore and consumable items are measured at the lower of cost and net realisable value. The cost is determined using the weighted average method and includes direct mining expenditure and an appropriate portion of overhead expenditure. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs to sell. Obsolete, redundant and slow-moving inventories are identified and written down to net realisable value.

	2024 US$'000	2023 US$'000
Finished products	**39 509**	47 644
Ore stockpile	**17 370**	17 648
Consumables	**25 334**	24 545
	82 213	89 837
Reversal of net realisable value write down	**141**	243
Total carrying amount	**82 354**	90 080

Inventories are stated at the lower of cost or net realisable value. Low-grade chrome concentrates to the value of US$1.0 million (2023: US$5.5 million) are carried at the realisable value after a net realisable write down reversal of US$0.2 million (2023: write down of US$0.2 million). The net realisable write down reversal was allocated to the chrome segment.

Certain PGM finished products to the value of US$0.6 million were provided for in full during the year ended 30 September (2023: reversal of a write down previously recognised of US$0.5 million). The provision and the 2023 reversal were allocated to the PGM segment.

Certain consumables and spares, which were provided for in full during previous periods, were reused in the operational process during the year ended 30 September 2024. This resulted in a reversal of US$0.5 million (2023: reversal of US$0.1 million). The reversal is allocated 32.0% and 68.0% to the PGM and chrome operating segments respectively (2023: 45.0% and 55.0%).

Judgement and estimates: net realisable value and measurement of inventories
Net realisable value tests are performed at least quarterly based on the estimated future sales price of the products based on prevailing metal prices, less estimated costs to complete production and bring the product to sale. The nature of the net realisable value test inherently limits the ability to precisely monitor recoverability levels and may result in additional write-downs of inventories in future periods.

The prevailing PGM basket price and chrome concentrate prices as at 30 September 2024 were used as estimated selling prices less forecast selling costs to determine the net realisable value of the Group's inventories. At 30 September 2024, except for certain PGM finished products and low-grade chrome concentrates, the calculated net realisable values exceeded the cost of inventories.

Below are the prices and exchange rate used to determine the net realisable value of inventories:

		2024	2023
Platinum	US$/oz	**964**	922
Palladium	US$/oz	**1 019**	1 238
Rhodium	US$/oz	**4 654**	3 918
Gold	US$/oz	**2 568**	1 918
Ruthenium	US$/oz	**359**	388
Iridium	US$/oz	**4 532**	4 311
Metallurgical chrome concentrate	US$/tonne	**279**	284
US$: ZAR exchange rate		**17.27**	18.98

20. TRADE AND OTHER RECEIVABLES

Accounting policy
Trade and other receivables, excluding the PGM discounting receivable, prepayments, deposits and value added tax, are non-derivative financial assets categorised as financial assets measured at amortised cost.

These non-derivative financial assets are initially recognised at fair value and subsequently carried at amortised cost less allowance for impairment. Estimates made for impairment are based on a review of all outstanding amounts at year end in line with the impairment policy described in note 17. Irrecoverable amounts are written off during the period in which they are identified.

The Group entered into offtake agreements in terms of which the concentrate of the PGMs is treated by the offtake parties. The PGM receivable is measured at fair value through profit or loss from the date of recognition up to date of settlement, as it fails the IFRS 9 amortised cost requirement of cash flows representing solely payment of principal and interest. Payment is due on the last day of the fourth month following delivery.

20. TRADE AND OTHER RECEIVABLES (continued)

Accounting policy (continued)

The fair value changes due to non-market variability (that is, changes based on quantity and quality of the contained metal) are considered to be variable consideration within the scope of IFRS 15 as the Group's right to consideration is contingent upon the physical attributes of the contained metal. Therefore, the variable consideration is considered to be constrained. At each subsequent reporting date the receivable is restated to reflect the fair value movements (market variability) in the pricing mechanism which are recognised in revenue. Foreign exchange movements subsequent to the recognition of a sale are recognised as a foreign exchange gain or loss in profit or loss.

	2024 US$'000	2023 US$'000
Trade receivables	**26 020**	37 564
PGM receivables	**34 615**	27 900
Total trade receivables	**60 635**	65 464
Other receivables – related parties (refer to note 34)	**375**	112
Deposits, prepayments and other receivables	**8 336**	23 455
Accrued income	**6 392**	4 726
Value added tax (VAT) receivable	**16 510**	9 870
	92 248	103 627
Expected credit loss allowance (raised)/reversed	**(54)**	114
	92 194	103 741

The fair value of trade and other receivables measured at amortised cost approximate the carrying amount due to the short-term maturity. The fair value of the PGM receivables was determined based on ruling quoted commodity market prices and exchange rates.

Trade and other receivables of the Group are expected to be recoverable within one year from each reporting date. Trade receivables are unsecured, non-interest bearing and payment terms vary from 0 to 120 days (30 September 2023: 0 to 120 days). During the year ended 30 September 2024, the Group raised an expected credit loss allowance of US$0.1 million against customers specific to the sale of unused and scrap metal (2023: expected credit loss reversal of US$0.1 million). The expected credit loss allowance relates to other income and is not allocated to a segment (2023: chrome and manufacturing segments). No impairment of trade receivables was recognised due to their insignificant exposure to credit risk during the years ended 30 September 2024 and 30 September 2023.

The table below summarises the maturity profile of trade receivables:	**2024 US$'000**	2023 US$'000
Current	**60 055**	64 863
Between current and 90 days	**86**	558
Greater than 90 days	**440**	43
	60 581	65 464
The credit exposure of trade receivables by country is as follows:		
South Africa	**41 634**	36 504
China	**15 613**	11 483
Hong Kong	**2 843**	-
Singapore	**91**	17 402
Other countries	**400**	75
	60 581	65 464
The foreign currency balances, translated to US$ included in trade receivables were as follows:		
ZAR'000	**7 081**	8 009
US$'000	**53 500**	57 455

Diesel rebates

At 30 September 2024, the Group had certain unresolved tax matters. Included in trade and other receivables is an amount of US$4.8 million (ZAR82.3 million) (2023: US4.4 million (ZAR82.3 million)) which relates to diesel rebates receivable from the South African Revenue Service ('SARS') in respect of the mining operations. SARS rejected diesel claims relating to the period from September 2011 to February 2018. The Group is taking the necessary action to recover the amount due and believes that it remains probable that the amounts will be recovered.

Judgements and estimates: expected credit losses ('ECL')

The Group applies a simplified approach to measure the loss allowance for trade receivables classified at amortised cost, using the lifetime expected loss provision. The expected credit loss on trade receivables is estimated using a provision matrix by reference to past default experience and credit rating if available, adjusted as appropriate for current observable data.

20. TRADE AND OTHER RECEIVABLES

Judgements and estimates: expected credit losses (continued)
The customer base of the Group consists of a limited number of premium customers of high credit quality and no historical defaults, with relationships that have been established over many years. The sale of products typically is of a high quantity and consequently high value. The Group's policy and preference is to sell products in large quantities to only established premium customers. The Group believes that this policy reduces the overall group credit risk.

PGM concentrate is sold in terms of off-take agreements to a limited number of clients. The following entity-specific observable data was considered for each of the PGM customers:

- An assessment of the accessibility and transparency of the business relationship with the customer, with specific reference to how differences (if any) in assayed results had been resolved and whether any requests to amend contractual terms had been received;
- The payment history and history of credit limits granted;
- A general assessment of the bi-annual financial statements with specific reference to cash flow information, servicing of outstanding debt and outstanding commitments;
- A general review of the quarterly production and operational information; and
- An assessment of the reputation of the customer across the mining industry.

The majority of chrome concentrates are exported from South Africa. For export chrome concentrate transactions, payment terms vary from 30 days to 90 days, however, the Group obtains letters of credit from reputable financial institutions before shipment occurs. The Group only accepts letters of credit from financial institutions that are approved by the Group's financiers. Before entering into an export chrome concentrate sale agreement, the Group ensures that the customer/potential customer is able to provide a letter of credit from such an acceptable financial institution.

21. CONTRACT ASSETS

Accounting policy
Contract assets are non-derivative financial assets categorised as other financial assets recognised and measured at the amount of consideration the Group is contractually entitled to in exchange for the transfer of goods and services. Timing of revenue recognition may differ from the timing of invoicing to customers. The Group records a contract asset in the statement of financial position, when goods or services have been transferred to a customer before the customer pays the consideration or before payment is due.

	2024 US$'000	2023 US$'000
Freight services	**507**	1 876

The balance represents prepaid freight costs and will be recognised in cost of sales upon completion of the performance obligations.

22. CASH AND CASH EQUIVALENTS

Accounting policy
Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments held for the purpose of meeting short-term cash commitments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are stated at amortised cost less any expected credit losses.

	2024 US$'000	2023 US$'000
Bank balances	**67 671**	162 071
Short-term bank deposits and money market investments	**150 004**	93 229
	217 675	255 300
The credit exposure by country is as follows:		
South Africa	**105 246**	142 306
Hong Kong	**70 376**	3 997
Mauritius	**401**	42 471
United Kingdom	**608**	609
Ireland	**11 396**	-
Zimbabwe	**12 498**	20 313
Cyprus	**17 144**	45 596
Other countries	**6**	8
	217 675	255 300

22. CASH AND CASH EQUIVALENTS (continued)

The credit exposure by credit ratings of financial institutions are as follows:	**2024 US$'000**	2023 US$'000
AAA	**16 704**	2 769
A+	**71 877**	43 502
A	**28 769**	35 430
BB+	**17 144**	45 596
BB-	**77 450**	119 041
B (ZW)	**5 731**	8 962
	217 675	255 300

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are generally call deposit accounts and earn interest at the respective short-term deposit rates. The amounts reflected approximate fair value.

At 30 September 2024, an amount of US$2.2 million (2023: US$2.0 million) was provided as security for a bank guarantee issued in favour of a trade creditor of a subsidiary of the Group and US$0.3 million (2023: US$0.3 million) was provided as security against certain credit facilities of the Group.

23. SHARE CAPITAL AND RESERVES

Accounting policy: share capital
The share capital is stated at nominal value. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

When share options are exercised in terms of the Tharisa Share Award Plan, the Company issues new shares or issues shares from treasury shares held. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

Accounting policy: treasury shares
The cost of the repurchase of the Company's own shares is deducted from equity. Where they are purchased, issued to employees or sold, no gain or loss is recognised in the consolidated statement of income. Such gains and losses are recognised directly in equity.

Accounting policy: non-controlling interest
Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of the acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control, are accounted for as equity transactions.

	30 September 2024		30 September 2023	
Share capital	**Number of Shares**	**US$'000**	Number of Shares	US$'000
Authorised – ordinary shares of US$0.001 each	**10 000 000 000**	**10 000**	10 000 000 000	10 000
Authorised – convertible redeemable preference shares of US$1 each	**1 051**	**1**	1 051	1
Issued ordinary shares				
Balance at the beginning and end of the year	**302 596 743**	**303**	302 596 743	303
Share premium				
Balance at the beginning of the year	**300 019 694**	**345 993**	299 746 365	345 597
Shares issued	**21 615**	**18**	273 329	396
Balance at the end of the year	**300 041 309**	**346 011**	300 019 694	345 993
Treasury shares				
Balance at the beginning of the year	**2 577 049**	**3**	2 850 378	3
Transferred as part of management share award plans	**(21 615)**	**-**	(273 329)	-
Shares repurchased	**4 836 918**	**5 001**	-	-
Balance at the end of the year	**7 392 352**	**5 004**	2 577 049	3

23. SHARE CAPITAL AND RESERVES (continued)

Share capital
No shares were issued during the years ended 30 September 2024 and 30 September 2023.

During the year ended 30 September 2024, 4 836 918 ordinary shares were repurchased while 21 615 (2023: 273 329) ordinary shares were transferred from treasury shares to satisfy the vesting/exercise of Conditional Awards and Appreciation Rights by the participants of the Tharisa Share Award Plan.

At 30 September 2024, 7 392 352 (2023: 2 577 049) ordinary shares were held in treasury.

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares, other than treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium
The share premium represents the excess of the issue price of ordinary shares over their nominal value, to the extent that it is registered at the Registrar of Companies in Cyprus, less share issue costs. The share premium is not distributable for dividend purposes.

The increase in the share premium account during the years ended 30 September 2024 and 30 September 2023 relates to the issue and allotment of ordinary shares to satisfy the vesting/exercise of Conditional Awards and Appreciation Rights by the participants of the Tharisa Share Award Plan.

Other reserve
The other reserve represents a historic ordinary share issue by the Company to parties external to the Group in exchange for preference shares in Tharisa Minerals. The ordinary shares were issued at a price reflective of the fair value of the preference shares less share issue costs, which was in excess of the nominal value of the ordinary shares, but the excess was not registered as share premium at the Registrar of Companies in Cyprus, thus presented and disclosed separately from share premium. The other reserve is not distributable for dividend purposes.

Foreign currency translation reserve
The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations with a functional currency other than US$ and foreign currency differences relating to translation of intergroup loans and funding arrangements which are considered to be part of the Company's net investment in a foreign operation.

Retained earnings
The retained earnings include the accumulated retained profits and losses of the Group (2024: US$499.3 million (2023: US$425.1 million) and the share-based payment reserve (2024: US$7.1 million (2023: US$2.6 million)). Retained earnings are distributable for dividend purposes.

Capital management
The Group's target is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business in a way that optimises the cost of capital and matches the current strategic business plan. The Board of Directors monitors both the demographic spread of shareholders, as well as the return on capital. Capital is defined as equity attributable to owners of the Company. Management is aware of the risks associated to capital management. Capital needs are monitored on a regular basis and whenever needed management takes steps in an attempt to effectively manage any corresponding risks.

In addition, capital management objectives included the group's ability to continue as a going concern, in order to provide returns for shareholders and benefits to other stakeholders while maintaining an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure (which consists of equity) and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the year.

Non-controlling interests
Non-controlling interests at 30 September 2024 and 30 September 2023 comprise amounts attributable to the Government of Zimbabwe for its 15.00% share in Karo Platinum (Private) Limited as well as amounts attributable to the Leto Settlement for its 23.78% (2023: 25.00%) share in Karo Mining Holdings plc.

The non-controlling interest share of total comprehensive income for the year amounts to a loss of US$0.3 million (2023: profit of US$4.5 million).

23. SHARE CAPITAL AND RESERVES (continued)

Increase in shareholding in Karo Mining Holdings plc ('Karo Mining')

During the year ended 30 September 2024, Karo Mining issued an additional 2 784 new ordinary shares for a cash subscription of US$20.0 million to the Company. The additional shares issued represented 1.22% of the issued share capital of Karo Mining which increased the Company's shareholding to 76.22%. The non-controlling shareholders did not subscribe to additional shares.

During the year ended 30 September 2023, Karo Mining issued an additional 9 048 new ordinary shares for a cash subscription of US$65.0 million to the Company. The additional shares issued represented 5.01% of the issued share capital of Karo Mining which increased the Company's shareholding to 75.00%. The non-controlling shareholders did not subscribe to additional shares.

	2024 US$'000	2023 US$'000
Consideration for additional new shares issued by Karo Mining	**-**	-
Reduction in non-controlling interest	**(1 726)**	(6 594)
Increase to equity attributable to ordinary shareholders	**1 726**	6 594

24. PROVISIONS

Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with the current environmental and regulatory requirements.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Rehabilitation costs

The net present value of estimated future costs for mine closure and rehabilitation is recognised and provided for in the consolidated financial statements and capitalised within mining assets on initial recognition. Rehabilitation will generally occur on closure or after closure of a mine. Initial recognition of the provision is at the time that the disturbance occurs and thereafter as and when additional disturbances take place.

The estimates are reviewed bi-annually to take into account the effects of inflation and changes in estimates and are discounted using rates that reflect the time value of money. Bi-annual increases in the provision due to the passage of time are recognised in profit or loss as an unwinding of the value of the provision expense. The present value of additional disturbances and changes in the estimate of the rehabilitation liability is recognised in mining assets as a direct cost against an increase in the rehabilitation provision. The rehabilitation asset is depreciated as per the Group's accounting policy on depreciation. Rehabilitation projects undertaken, included in the estimates, are charged to the provision as incurred.

Costs for restoration and rehabilitation which are created on an ongoing basis during production of inventories are provided for at their net present values and included as part of inventory costs. Environmental liabilities, other than rehabilitation costs, which relate to liabilities arising from specific events, are recognised in the consolidated statement of financial position when they are known, probable and may be reasonably estimated. Gains or losses from the expected disposal of assets are not taken into account when determining the provision.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 September 2024

24. PROVISIONS (continued)

Non-current	2024 US$'000	2023 US$'000
Provision for rehabilitation	**23 362**	19 335
Current		
Provision for disputed mining royalty	**56 827**	47 715

Provision for rehabilitation
The Group has a legal obligation to rehabilitate the mining area, once the mining operations cease. The provision has been calculated based on total estimated rehabilitation costs, discounted back to their present values. The pre-tax discount rates are adjusted annually and reflect current market assessments. These costs are expected to be utilised mostly towards the end of the life of mine and associated infrastructure. The provision for the Tharisa Mine is determined using commercial closure cost assessments and not the inflation adjusted Department of Mineral Resources published rates.

	2024 Restoration US$'000	2024 Decommis-sioning US$'000	2024 Total provision US$'000	2023 Restoration US$'000	2023 Decommis-sioning US$'000	2023 Total provision US$'000
Opening balance	**14 606**	**4 729**	**19 335**	7 190	5 186	12 376
Recognised in profit and loss	**183**	**(119)**	**64**	7 383	(203)	7 180
Capitalised/(reversal) to mining assets and infrastructure	**-**	**82**	**82**	-	(604)	(604)
Unwinding of discount (note 10)	**1 496**	**493**	**1 989**	683	502	1 185
Exchange differences	**1 472**	**420**	**1 892**	(650)	(152)	(802)
Closing balance	**17 757**	**5 605**	**23 362**	14 606	4 729	19 335

The table below illustrates the movement in the provision as a result of mining operations and changes in variables.

30 September 2024	Opening balance US$'000	Mining operations US$'000	Changes in variables/ estimates US$'000	Exchange differences US$'000	Closing Balance US$'000
Provision for restoration	**14 606**	**1 988**	**(309)**	**1 472**	**17 757**
Provision for decommissioning	**4 729**	**585**	**(129)**	**420**	**5 605**
	19 335	**2 573**	**(438)**	**1 892**	**23 362**
30 September 2023					
Provision for restoration	7 190	2 299	5 767	(650)	14 606
Provision for decommissioning	5 186	535	(840)	(152)	4 729
	12 376	2 834	4 927	(802)	19 335

The current estimated rehabilitation cost for the Tharisa Mine to be incurred taking escalation factors into account is US$91.3 million (ZAR1 576.9 million) (2023: US$73.5 million (ZAR1 390.5 million)). The estimate was calculated by an independent external expert. The change is mainly due to the considerations of the closure objectives as set out in the Environmental Management Plan and what is most likely to occur as these impacts are being reconsidered and the expected timing of performing this work which is driven to a large extent by the most likely life of mine. The change is also impacted to a smaller extent by the changes in future inflation and discount rates.

The current estimated rehabilitation cost is projected to a future value based on a weighted average long-term inflation rate of 6.42% (2023: 6.41%). The net present value of the rehabilitation estimated future value is discounted based on a weighted average SWAP curve. The calculated interest rate was 10.13% (2023: 9.98%). An insurance company has provided a guarantee to the Department of Mineral Resources to satisfy the legal requirements with respect to environmental rehabilitation and the Group has pledged as collateral its investments in interest-bearing instruments to the insurance company to support this guarantee.

24. PROVISIONS (continued)

Judgement and estimates: closure objectives as set out in the Environmental Management Plan

The Group's mining and exploration activities are subject to extensive environmental laws and regulations. The Group has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future rehabilitation costs are based principally on legal and regulatory requirements. The approved Environmental Management Programme ('EMPr') of Tharisa Minerals Proprietary Limited ('Tharisa Minerals') commits the company to completely backfill the pit voids to natural ground level and restore the pre-mining land potential, namely agricultural land with grazing and wilderness capabilities. Tharisa Minerals has evaluated alternative mine closure strategies building on the establishment of a post-mining economy with socioeconomic benefits. An amendment application has been submitted to the Department of Mineral Resources ('DMR') seeking its approval for a backfill of the pit voids concurrent with mining only, also called in-pit dumping, which results in a partial void and associated pit lake which is profiled and 'made safe' before rehabilitation of the surface with the residual waste rock stockpiles remaining on surface ('pit-lake option'). This application was supported by the necessary specialty studies. On 19 September 2023 the DMR advised that it had decided to refuse the application. Tharisa Minerals has submitted an appeal of this decision in terms of the applicable regulations and is confident of a successful ruling in its favour on the appeal. As there is uncertainty as to the successful outcome of the appeal, Tharisa Minerals has applied a probability weighted factor in calculating the mine closure liability applying a 60% (2023: 60%) probability to the successful outcome of the appeal and approval of the pit-lake option. In the alternative, Tharisa Minerals has applied a 30% (2023: 30%) probability to an alternative 'make safe' option with the partial backfilling of the pit whereby the walls of the pit will be profiled at 24 degrees on a stepped basis for each bench and, with the passage of time, result in a pit-lake forming in the void. In view of the adverse record of decision by the DMR and notwithstanding Tharisa Minerals' expectation of a favourable ruling on the appeal, Tharisa Minerals has applied a 10% (2023: 10%) probability to the complete backfill of the pit voids to natural ground level. The rehabilitation expense and provision has been accounted for on this basis. Tharisa Minerals is confident of the successful outcome of the appeal in its engagement with the DMR, failing which it will proceed to challenge the decision through the judicial system. It is not possible to determine and measure any additional requirements that may be required as the amended EMPr is advanced through the various regulatory process, hence no provision has been made for any such potential additional requirements.

At 30 September 2024 the Group performed a sensitivity analysis by applying different weighted probabilities to the actual weighted probability factor used in determining the provision for rehabilitation. A 57.5% probability was applied to the successful outcome of the appeal and approval of the pit-lake option, a 27.5% probability used to an alternative 'make safe' option with the partial backfilling of the pit and a 15.0% probability to the complete backfill of the pit voids to natural ground level. By using these probabilities, the provision for rehabilitation would increase by US$4.6 million (ZAR80.1 million).

Provision for disputed mining royalty	2024 US$'000	2023 US$'000
Opening balance	**47 715**	50 444
Raised during the year	**4 262**	-
Reversed during the year	**-**	(503)
Exchange differences	**4 850**	(2 226)
Closing balance	**56 827**	47 715

The Group has objected and appealed the assessments issued by SARS imposing an additional mining royalty in relation to the 2015 and 2017 years of assessment in an amount of US$5.9 million (ZAR102.3 million) (2023: US$5.4 million (ZAR102.3 million)) (inclusive of penalties and interest). Due to the technical nature of the matter at hand, the matter underwent two separate Alternate Dispute Resolution processes and the matter is now set to be heard at the tax court on 31 March 2025. SARS increased the gross sales value of the PGM sales to the minimum specified condition (of 150 parts per million) as set out in the legislation by adjusting the average PGM grade on a linear basis. SARS did not take into account the increase in the associated costs to bring the concentrate to the minimum specified condition whether on a linear basis or otherwise. This is inconsistent with both past practice by SARS and industry applied norms. The Group objected and appealed against the assessment on the basis that it is not in terms of the applicable legislation. The Group has re-assessed the basis on which it is liable for payment of the mining royalty challenging both the linear basis of grossing up the sales value and determining the incremental costs which would be incurred in bringing the concentrate to the minimum specified standard.

In the event that SARS would be successful, the Group has provided for an estimated incremental mining royalty for the period up to the current year of assessment to be US$33.6 million (ZAR580.9 million) (2023: US$33.3 million (ZAR630.5 million)), with the amount net of tax estimated to be US$24.3 million (ZAR419.1 million) (2023: US$24.3 million (ZAR460.3 million)). In addition, the remainder of the balance provided for mainly represents estimated interest and penalties. If the Group is successful with a favourable outcome of calculating the mining royalty on the re-assessed basis, it would result in a refund of past royalty payments with a net inflow to the Group.

The principles being applied have not been tested by either SARS or the judiciary and there is therefore uncertainty on the possible outcome of the objection which could lead to an outflow (royalty payable to SARS) or inflow (amount recovered by the company from SARS). Furthermore, the time period to reach finality may be protracted. Accordingly, no estimate of the contingent amount receivable has been made.

25. BORROWINGS

Accounting policy: borrowings
Borrowings are non-derivative financial liabilities categorised as other financial liabilities. Borrowings are recognised initially at fair value, net of transaction costs incurred, where applicable and subsequently measured at amortised cost using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Accounting policy: leases
The Group recognises a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified asset for a specified period. The commencement date is the date on which a lessor makes an underlying asset available for use by the lessee.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Short-term leases and leases of low-value assets:
The Group has elected not to recognise lease liabilities for short-term leases that do not contain a purchase option and have a lease term of 12 months or less and leases of low-value assets such as computer equipment.

Non-current	**2024 US$'000**	2023 US$'000
Commodity off-take financing	**9 936**	30 347
Bond – listed on the Victoria Falls Stock Exchange	**26 612**	26 392
Asset backed facilities	**13 282**	18 951
Lease liabilities	**536**	695
	50 366	76 385
Current		
Commodity off-take financing	**20 388**	47 356
Bond – listed on the Victoria Falls Stock Exchange	**807**	765
Asset backed facilities	**13 182**	13 133
Lease liabilities	**734**	2 017
Bank credit facilities	**20 706**	-
	55 817	63 271

The fair value of borrowings approximates its carrying amounts as the interest rates charged are variable and considered to be market related. At 30 September 2024, the Group has unutilised borrowing facilities available of US$84.6 million (2023: US$70.3 million).

Commodity off-take financing
During the year ended 30 September 2023, the Group concluded a US$130 million, 42-month commodity off-take based facility with Société Générale and Absa Bank Limited. The Facility comprises a term loan of US$80 million and a revolving US$50 million facility, secured by commodity off-take agreements, PGM commodity hedging derivative (note 17) and restricted bank deposit (note 17). Interest accrues at the SOFR plus 360 basis points on the term loan and the SOFR plus 420 basis points on the revolving facility. The financing is repayable over 42 months that commenced during October 2023. The revolving US$50 million facility was undrawn as at 30 September 2024 and 30 September 2023. The balance outstanding at 30 September 2024 amounted to US$30.3 million (2023: US$77.7 million).

25. BORROWINGS (continued)

Bond – listed on the Victoria Falls Stock Exchange
On 16 December 2022, a subsidiary of the Company, Karo Mining Holdings plc ('Karo Mining') raised external funds of US$26.4 million through the issuance of a listed bond on the VFEX in Zimbabwe. The bond has a 3-year maturity, has an annual coupon of 9.5% and is measured at amortised cost using the effective interest rate. Interest payments will occur every 6-months. The Company has guaranteed the capital amount and interest payments relating to the bond issue.

The fair value of the bond will typically be determined at its closing market value on the VFEX. However, during the year ended 30 September 2024, no trading (2023: no trading) occurred resulting in no available market value of the bond.

Asset backed facilities
Asset backed facilities comprise of the equipment loan facility, Atrafin loan, commercial asset finance and the revolving facility.

Equipment loan facility
The equipment loan facility represents funding for certain Caterpillar mining equipment, both replacement parts and new mining equipment, from Caterpillar Financial Services Corporation. The total facility amounts to US$35 million (2023: US$35 million), bears interest rates between the one-month SOFR plus 325 basis points and the one-month SOFR plus 350 basis points (2023: one-month SOFR plus 325 basis points and one-month SOFR plus 350 basis points) and is repayable over 48 months from drawdown. The unutilised portion of the facility (US$19.5 million) (2023: US$15.8 million) is available for drawdown until 28 February 2027. The acquired equipment serves as security for the loan facility.

The equipment loan facility contains the following Group financial covenants:

- Net debt to tangible net worth not higher than 1.4 times;
- Net debt to EBITDA lower than 2.0 times; and
- EBITDA to interest greater than 4.0 times.

At 30 September 2024 and 30 September 2023, the Group complied with all financial covenants.

Atrafin loan
The loan from Atrafin LLC is for a total amount of US$3.7 million (2023: US$3.7 million), bears interest at the six-month SOFR plus 225 basis points (2022: six-month US Libor plus 200 basis points) and is repayable in ten equal bi-annual instalments ending May 2026. The balance outstanding at 30 September 2024 amounted to US$1.5 million (2023: US$2.2 million).

Commercial Asset Finance
The commercial asset finance facility with Absa Bank Limited is for US$8.7 million (ZAR150.0 million) (2023: US$7.9 million (ZAR150 million)). The balance outstanding at 30 September 2024 amounted to US$4.9 million (2023: US$5.5 million). The facility bears interest at the South African Prime rate less 115 basis points and is repayable monthly in arrears over 48 months. The equipment acquired by utilising this facility serves as security. As part of the commercial asset finance facility, Absa Bank Limited provided Tharisa Minerals Proprietary Limited with a bank overdraft facility to the value of US$8.7 million (ZAR150.0 million). At 30 September 2024 and 30 September 2023, the overdraft facility was available in full and included in the unutilised borrowing facilities.

Revolving facility
The revolving facility with Wesbank Corporate Finance for a facility of US$7.2 million (ZAR125 million) (2023: US$6.9 million (ZAR125 million)) bears interest at the RSA prime rate less between 65 and 115 basis points and is repayable monthly in arrears between 36 and 48 months from November 2022. The facility is for financing mining equipment and specifically includes drill rigs and excavators. Such equipment serves as security for the facility. The balance outstanding at 30 September 2024 amounted to US$4.6 million (2023: US$5.2 million).

Lease liabilities
The Group entered into a number of lease arrangements for the renting of office buildings, premises, computer equipment, vehicles and mining fleet. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that do not contain a purchase option and that have a lease term of 12 months or less and leases of low-value assets such as computer equipment. Lease expenses of US$1.4 million (2023: US$0.1 million) and US$0.1 million (2023: US$0.1 million) were included in cost of sales and other operating expenses respectively for the year ended 30 September 2024.

The duration of leases relating to buildings and premises is for a period of five years, payments are due at the beginning of the month escalating annually on average by 8.0%. At 30 September 2024, the remaining term of these leases vary between one and three and a half years (2023: one and four and a halve years). These leases are secured by cash deposits varying from one to three times the monthly lease payments.

The duration of leases relating to the mining fleet and manufacturing equipment are for periods between twelve and forty eight months (2023: twelve and forty eight months) and bear interest at interest rates between the South African prime interest rate and the South African prime interest rate plus 375 basis points (2023: South African prime interest rate and South African prime interest rate plus 375 basis points). The leases are secured by the mining fleet leased.

25. BORROWINGS (continued)

Lease payments due:	2024 US$'000	2023 US$'000
Within one year	**797**	2 116
Two to five years	**570**	718
	1 367	2 834
Less future finance charges	**97**	(122)
Present value of lease payments due	**1 270**	2 712
Present value of lease payments due:		
Within one year	**734**	2 017
Two to five years	**536**	695
	1 270	2 712

Bank credit facilities

The bank credit facilities relate to pre-and post-shipment finance and discounting of the letters of credit by the Group's banks following performance of the letter of credit conditions by the Group, which results in funds being received in advance of the normal payment date. Interest on these facilities at the reporting date varied between the one-month SOFR plus 165 basis points and the three-month SOFR plus 285 basis points (2023: one-month SOFR plus 165 basis points and the one-month SOFR plus 305 basis points). Inventory serves as security for credit facilities. The available bank credit facilities at 30 September 2024 amounted to US$39.3 million (2023: US$20.0 million). Bank credit facilities are not included in unutlised borrowing facilities at 30 September 2024.

	Asset backed facilities US$'000	Commodity off-take financing US$'000	Bond – listed on the Victoria Falls Stock Exchange US$'000	Lease liabilities US$'000	Bank credit facilities US$'000	Total borrowings US$'000
Balance 30 September 2023	**32 084**	**77 703**	**27 157**	**2 712**	**-**	**139 656**
Changes from financing cash flows						
Advances: bank credit facilities	**-**	**-**	**-**	**-**	**53 832**	**53 832**
Repayment: bank credit facilities	**-**	**-**	**-**	**-**	**(33 126)**	**(33 126)**
Advances received	**7 069**	**20 286**	**-**	**-**	**-**	**27 355**
Repayment of borrowings	**(13 654)**	**(68 033)**	**-**	**-**	**-**	**(81 687)**
Principal lease payments	**-**	**-**	**-**	**(2 126)**	**-**	**(2 126)**
Repayment of interest	**(2 623)**	**(5 373)**	**(2 549)**	**(111)**	**(104)**	**(10 760)**
Changes from financing cash flows	**(9 208)**	**(53 120)**	**(2 549)**	**(2 237)**	**20 602**	**(46 512)**
Foreign currency translation differences	**2 462**	**3 664**	**-**	**141**	**-**	**6 267**
Non-cash flow liability-related changes						
Lease agreements entered into	**-**	**-**	**-**	**544**	**-**	**544**
Re-measurement of lease liabilities	**-**	**-**	**-**	**(9)**	**-**	**(9)**
Interest expense	**2 675**	**6 073**	**2 811**	**111**	**104**	**11 774**
Revaluation of foreign denominated loan	**(1 549)**	**(3 996)**	**-**	**8**	**-**	**(5 537)**
Total liability-related changes	**1 126**	**2 077**	**2 811**	**654**	**104**	**6 772**
Balance at 30 September 2024	**26 464**	**30 324**	**27 419**	**1 270**	**20 706**	**106 183**
Non-current borrowings	**13 282**	**9 936**	**26 612**	**536**	**-**	**50 366**
Current borrowings	**13 182**	**20 388**	**807**	**734**	**20 706**	**55 817**
Total borrowings	**26 464**	**30 324**	**27 419**	**1 270**	**20 706**	**106 183**

25. BORROWINGS (continued)

	Asset backed facilities US$'000	Commodity off-take financing US$'000	Bridge term loan US$'000	Bond – listed on the Victoria Falls Stock Exchange US$'000	Lease liabilities US$'000	Bank credit facilities US$'000	Property loans US$'000	Total borrowings US$'000
Balance 30 September 2022	34 943	-	-	-	3 579	23 809	553	62 884
Changes from financing cash flows								
Advances: bank credit facilities	-	-	-	-	-	5 890	-	5 890
Repayment: bank credit facilities	-	-	-	-	-	(29 689)	-	(29 689)
Net repayment of bank credit facilities	-	-	-	-	-	(23 799)	-	(23 799)
Advances received	13 022	80 732	59 936	26 392	-	-	-	180 082
Repayment of borrowings	(15 443)	-	(61 429)	-	-	-	(550)	(77 422)
Principal lease payments	-	-	-	-	(2 500)	-	-	(2 500)
Repayment of interest	(2 865)	-	(2 015)	(1 115)	(241)	(48)	-	(6 284)
Changes from financing cash flows	(5 286)	80 732	(3 508)	25 277	(2 741)	(23 847)	(550)	70 077
Foreign currency translation differences	(1 503)	(3 146)	-	-	(129)	-	(3)	(4 781)
Non-cash flow liability-related changes								
Lease agreements entered into	-	-	-	-	133	-	-	133
Re-measurement of lease liabilities	-	-	-	-	1 502	-	-	1 502
Interest expense	2 945	101	2 255	1 880	241	38	-	7 460
Revaluation of foreign denominated loan	985	16	1 253	-	127	-	-	2 381
Total liability-related changes	3 930	117	3 508	1 880	2 003	38	-	11 476
Balance at 30 September 2023	32 084	77 703	-	27 157	2 712	-	-	139 656
Non-current borrowings	18 951	30 347	-	26 392	695	-	-	76 385
Current borrowings	13 133	47 356	-	765	2 017	-	-	63 271
Total borrowings	32 084	77 703	-	27 157	2 712	-	-	139 656

26. OTHER FINANCIAL LIABILITIES

Accounting policy

Measurement: Financial liabilities at fair value through profit or loss

Financial liabilities carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial liabilities held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise. Where management has designated to recognise a financial liability at fair value through profit or loss, any changes associated with the Group's own credit risk will be recognised in other comprehensive income.

Derecognition: Financial liabilities

The Group derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Non-current liabilities	*Fair value hierarchy*	**2024 US$'000**	2023 US$'000
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	Level 3	**-**	11
Current liabilities			
PGM commodity hedges derivative (refer to note 17)	Level 2	**40**	-

27. TRADE AND OTHER PAYABLES

Accounting policy

Trade and other payables, excluding payroll creditors and leave pay accruals are non-derivative financial liabilities categorised as other financial liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of salaries, annual leave and other benefits due to be settled within 12 months of the reporting date are measured at rates which are expected to be paid when the liability is settled.

	2024 US$'000	2023 US$'000
Trade payables	**51 377**	50 329
Accrued expenses	**45 413**	33 897
Leave pay accrual	**6 620**	5 520
Value added tax payable	**2 108**	3 497
Other payables – related parties (note 34)	**112**	109
Other payables	**102**	112
	105 732	93 464
Trade payables in foreign currency balances translated to US$ were as follows:		
US$	**5 269**	2 647
ZAR	**44 834**	46 793
EUR	**1 270**	857
Other	**4**	32
	51 377	50 329

The amounts above are unsecured, non-interest bearing and payable within one year from the reporting period. The amounts reflected above approximate fair value, due to the short-term thereof.

28. CONTRACT LIABILITIES

Accounting policy

Contract liabilities are non-derivative financial liabilities categorised as other financial liabilities. Contract liabilities are recognised when a customer has paid the consideration or the payment is due from the customer before the entity has transferred all of the promised goods or services in a contract. Timing of revenue recognition may differ from the timing of invoicing to customers. A contract liability is measured based on the unearned revenue received (income received in advance) within a contract and is presented as a current liability in the statement of financial position due to its short-term nature.

	2024 US$'000	2023 US$'000
Freight services	**507**	1 876

The balance represents deferred revenue for which performance conditions still have to be satisfied.

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29. OPERATING CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL

	2024 US$'000	2023 US$'000
Profit for the year	**82 642**	86 776
Adjustments for:		
Depreciation of property, plant and equipment (note 14)	**54 723**	39 239
Amortisation of intangible assets (note 15)	**4**	2
Profit on disposal of property, plant and equipment (note 14)	**(57)**	(19)
Net realisable value reversal (note 19)	**(141)**	(243)
Write off of property, plant and equipment (note 14)	**1 942**	3 454
Expected credit loss allowance raised/(reversal) (note 20)	**54**	(114)
Equity-settled share-based payments (note 8)	**4 388**	1 999
Changes in fair value of financial assets at fair value through profit or loss (note 33)	**(848)**	(5 151)
Changes in fair value of financial liabilities at fair value through profit or loss – unrealised (note 33)	**2 431**	(16 827)
Net foreign exchange (gain)/loss	**(533)**	3 590
Interest income (note 10)	**(8 597)**	(4 772)
Interest expense (note 10)	**11 878**	7 101
Tax (note 12)	**35 037**	27 564
Operating cash flows before changes in working capital	**182 923**	142 599

30. TAX PAID

	2024 US$'000	2023 US$'000
Opening balances		
Current taxation receivable	**1 851**	7 302
Current taxation payable	**(766)**	(2 056)
Corporate income tax for the year (note 12)	**(18 441)**	(26 051)
Special contribution for defence in Cyprus (note 12)	**(227)**	(118)
Dividend withholding tax (note 12)	**(520)**	(658)
Tax refunds received	**(10)**	(7 225)
Interest receivable	**8**	20
Closing balances		
Current taxation receivable	**(6 859)**	(1 851)
Current taxation payable	**877**	766
Exchange differences on translation	**471**	(114)
Tax paid	**(23 616)**	(29 985)

31. INTEREST PAID

	2024 US$'000	2023 US$'000
Interest paid borrowings (note 25)	**(10 767)**	(6 284)
Interest paid South Africa Revenue Services	**(84)**	(8)
Other interest paid	**(110)**	(65)
Transaction costs paid	**(810)**	-
	(11 771)	(6 357)

32. DIRECTORS INTEREST IN STATED CAPITAL

	2024 %	2023 %
LC Pouroulis	**0.42**	0.41
P Pouroulis	**2.73**	2.69
MG Jones	**0.24**	0.24
A Djakouris	**-**	0.01
C Bell	**0.02**	0.02
Total	**3.41**	3.37

Where a member of the Board of Directors holds no direct or indirect interest, the director is not reflected in the table above.

There has been no change in the Director’s interests in the share capital of the Company between the end of the financial year and the date of the approval of the consolidated financial statements.

33. FINANCIAL RISK MANAGEMENT

Accounting policy: Financial instruments - classification

The Group classifies its financial instruments in the following categories:

- At fair value through profit or loss
- At fair value through other comprehensive income
- At amortised cost

The Group determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Group’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified at fair value through profit or loss, for other equity instruments, on the day of acquisition the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income. Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as derivatives) or the Group has designated to measure them at fair value through profit or loss.

The following table presents the classification of the Group’s financial instruments:

Financial assets	**Classification**
Investments in money markets, current accounts, cash funds and income funds	Fair value through profit or loss
PGM commodity hedging derivative	Fair value through profit or loss
Investment in equity instruments	Fair value through profit or loss
Restricted bank deposit	Amortised cost
Trade and other receivables	Amortised cost
PGM receivables	Fair value through profit or loss
Forward exchange contracts	Fair value through profit or loss
Cash and cash equivalents	Amortised cost

Financial liabilities	**Classification**
Borrowings	Amortised cost
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	Fair value through profit or loss
PGM commodity hedging derivative	Fair value through profit or loss
Trade and other payables	Amortised cost

33. FINANCIAL RISK MANAGEMENT (continued)

In the ordinary course of business the Group is exposed to credit risk, liquidity risk, and market risk. This note presents information about the Group's exposure to each of the aforementioned risks and its objectives, policies and processes for measuring and managing risks. Further quantitative disclosures are included throughout this note.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and other receivables, cash and cash equivalents and other financial assets.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, as these factors may have an influence on credit risk. In monitoring customer credit risk, management reviews on a regular basis the ageing of trade and other receivables to obtain comfort that there are no past due amounts without acceptable mitigating credit information available.

The Group establishes an allowance for credit losses that represents its estimate of expected credit losses in respect of trade and other receivables. The Group applies a simplified approach to measure the loss allowance for trade receivables, using the lifetime expected loss provision. The expected credit loss on trade receivables is estimated using a provision matrix by reference to past default experience and credit rating if available, adjusted as appropriate for current observable data.

The main component of the allowance for credit losses (if applicable) is a specific loss component that relates to individually significant exposures. As at 30 September 2024 and 30 September 2023, none of the carrying amounts of trade receivables that are past due, but not impaired require the recognition of an allowance for credit losses due to their insignificant exposure to credit risk. Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default and for whom no current observable adverse credit information is available.

The allowance for credit losses in respect of trade and other receivables is used to record credit losses unless management is satisfied that no recovery of the amount owing is possible and at that point the amount considered irrecoverable is written off against the financial asset directly.

The most significant exposure of the Group to credit risk is represented by the carrying amount of trade receivables. The Board of Directors performs regular ageing reviews of trade receivables to identify any doubtful balances. Based on the review performed for the reporting period, the Board of Directors concluded that other than the allowance for credit losses raised against sundry customers (refer to note 20), no further allowance for credit losses is required in respect of trade receivables due to their insignificant exposure to credit risk. 33.7% and 31.2% of the trade receivables were due from the Group's largest customer as at 30 September 2024 and 30 September 2023 respectively.

Investments in money markets, current accounts, cash funds and income funds, restricted bank deposit and cash

The Group limits its exposures on cash and cash equivalents by dealing only with well-established financial institutions of high-quality credit standing. The majority of the Group's cash resources were deposited with HSBC based in Hong Kong, Nedbank in South Africa and Stanlib in South Africa.

The Group invests only in well-known reputable financial institutions. The majority of the investment in money markets, current accounts, cash funds and income funds are kept in cash at financial institutions of high credit quality standing.

The maximum exposure to credit risk at the reporting date of the consolidated financial statements was:	**2024 US$'000**	2023 US$'000
Financial assets	**7 945**	6 040
Restricted bank deposit	**6 000**	13 713
Trade and other receivables	**92 194**	103 741
Contract assets	**507**	1 876
Cash and cash equivalents	**217 675**	255 300
	324 321	380 670

33. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. At 30 September 2024 the Group had undrawn banking facilities of US$84.6 million (ZAR1 460.3 million) (2023: US$70.3 million (ZAR1 330.3 million)) available (note 25).

Management is aware of the above risk. Liquidity risk is monitored on a regular basis and management is taking steps deemed necessary in an attempt to manage the corresponding risk. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, financial risk management may not be possible for instances where weakened commodity prices persist, forecast production not being achieved and further funding is not raised.

The following table presents the remaining contractual maturities of the Group's financial liabilities at the end of the reporting period, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	Contractual undiscounted cash flow					
30 September 2024	**Within 1 year or on demand US$'000**	**More than 1 year but less than 2 years US$'000**	**More than 2 years but less than 5 years US$'000**	**More than 5 years US$'000**	**Total US$'000**	**Carrying amount US$'000**
Borrowings	**60 383**	**45 373**	**7 923**	**-**	**113 679**	**106 183**
Trade and other payables	**51 591**	**-**	**-**	**-**	**51 591**	**51 591**
	111 974	**45 373**	**7 923**	**-**	**165 270**	**157 774**
30 September 2023						
Borrowings	71 402	37 728	48 446	-	157 576	139 656
Trade and other payables	50 550	-	-	-	50 550	50 550
	121 952	37 728	48 446	-	208 126	190 206

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income and the values of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency.

The Group is exposed to currency risk on transactions that are denominated in a currency other than the respective functional currency of the Group entities. These currency risk exposures arise primarily from exchange rate movements in US$ and ZAR.

Management is aware of the above risk. Currency risk arising from currency fluctuations is monitored on a regular basis and management is taking steps deemed necessary in managing the corresponding risk. These steps may include entering from time to time, into forward exchange contracts within board-approval limits.

33. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

The following table details the Group's exposure at the end of each reporting period to currency risk arising from recognised assets and liabilities denominated in a currency other than the functional currency of the entity to which they relate. Exposures in US$ relate to recognized assets and liabilities denominated in US$ of entities of the Group that have a functional currency other than US$. For presentation purposes, the amounts of the exposure are shown in US$, translated using the spot rate at the reporting date. The spot rates used at the reporting date against the US$ are a) US$:ZAR, 17.27 (2023: 18.91); b) US$:EUR, 0.90 (2023: 0.94) and c) US$:GBP, 0.75 (2023: 0.82). Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

The Group entered into a number of forward exchange contracts to hedge certain aspects of the foreign exchange risk associated to the conversion of the US$ to the ZAR and the EUR against the ZAR. The net exposure of these contracts was US$48.1 million (2022: US$11.0 million) with various expiries no later than 15 October 2025 (2023: no later than 16 November 2023).

At the reporting date the Group's exposure to currency risk was as follows:

	30 September 2024				
Amounts in US$'000	**US$**	**ZAR**	**€**	**CHF**	**GBP**
Other financial assets	**6 000**	**-**	**80**	**-**	**-**
Trade and other receivables	**88 305**	**142**	**641**	**2**	**109**
Current taxation	**-**	**-**	**229**	**-**	**-**
Cash and cash equivalents	**33 343**	**63**	**477**	**-**	**21**
Borrowings	**(49 205)**	**-**	**(17)**	**-**	**-**
Current taxation	**-**	**-**	**(393)**	**-**	**-**
Trade and other payables	**(3 842)**	**(3 897)**	**(2 486)**	**(102)**	**(292)**
	74 601	**(3 692)**	**(1 469)**	**(100)**	**(162)**

	30 September 2023				
	US$	ZAR	€	AUD	GBP
Other financial assets	13 713	-	48	-	-
Trade and other receivables	28 485	80	450	-	57
Current taxation	-	-	(682)	-	-
Cash and cash equivalents	65 329	429	246	-	45
Borrowings	(101 531)	-	(53)	(1 117)	-
Trade and other payables	(103)	(4 606)	(1 651)	(7)	(258)
	5 893	(4 097)	(1 642)	(1 124)	(156)

A 10.0% strengthening of the US$ against the above currencies at the reporting date would have changed profits and equity by the amounts presented below. This analysis assumes that all other variables, and in particular interest rates, remain constant. The analysis has been performed on the same basis for each reporting date.

	2024 (Decrease)/ increase/ in profit or loss and equity US$'000	2023 (Decrease)/ increase in profit or loss and equity US$'000
US$	**(8 289)**	(655)
ZAR	**410**	455
€	**163**	183
CHF	**11**	-
AUD	**-**	125
GBP	**18**	17

A 10.0% weakening of the US$ against the above currencies at each reporting date would have had an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

33. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

Interest rate risk is the Group's exposure to movements in interest rates. It arises as a result of timing differences on the repricing of assets and liabilities. Management is aware of the above risk. Interest rate risk is monitored on a regular basis and management is taking steps deemed necessary managing the corresponding risk. As at the reporting date, the interest rate profile of the Group was as follows:

	2024	2023	**2024 US$'000**	2023 US$'000
Variable rate financial assets				
Investments in money markets, current accounts, cash funds and income funds	**3.8% - 9.4%**	6.9% - 8.6%	**7 485**	6 040
Restricted bank deposit	**3.8%**	3.8%	**6 000**	13 713
Cash and cash equivalents	**0% - 8.6%**	0% - 8.2%	**217 675**	255 300
			231 160	275 053
Variable rate financial liabilities				
Commodity off-take financing	SOFR plus 3.6%	SOFR plus 3.6%	**30 324**	77 703
Equipment loan facility	1-month SOFR plus between 3.25% and 3.5%	1-month SOFR plus between 3.25% and 3.5%	**15 463**	19 099
Atrafin loan	6-month SOFR plus 2.25%	6-month SOFR plus 2.25%	**1 495**	2 243
Absa commercial asset finance	RSA prime less 1.15%	RSA prime less 1.15%	**4 902**	5 508
Wesbank revolving facility	RSA prime less between 0.65% and 1.15%	RSA prime less between 0.65% and 1.15%	**4 604**	5 234
Lease liabilities	5.9% - RSA prime + 3.75%	5.9% - RSA prime + 3.75%	**1 270**	2 713
Bank credit facilities	1-month SOFR plus 1.65% and 3-month SOFR plus 2.85%	-	**20 706**	-
			78 764	112 500

A change of 100 basis points in interest rates at each reporting date would have changed profits and equity by the amounts presented below. This analysis assumes that all other variables, and in particular foreign currency rates, remain constant. The analysis has been performed on the same basis for each reporting date.

	2024 Increase/ (decrease) in profit or loss and equity US$'000	2023 Increase/ (decrease) in profit or loss and equity US$'000
Investments in money markets, current accounts, cash funds and income funds	**515**	498
Restricted bank deposit	**99**	2
Cash and cash equivalents	**1 902**	1 535
Commodity off-take financing	**(300)**	(833)
Equipment loan facility	**(145)**	(200)
Atrafin loan	**(14)**	(24)
Absa commercial asset finance	**(46)**	(57)
Wesbank revolving facility	**(43)**	(54)
Lease liabilities	**(12)**	(29)
Bank credit facilities	**(14)**	-
	1 942	838

A decrease of 100 basis points in interest rates at each reporting date would have had an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

33. FINANCIAL RISK MANAGEMENT (continued)

Fair values

The Board of Directors considers that the fair values of significant financial assets and financial liabilities approximate to their carrying values at each reporting date.

Financial instruments carried at fair value:

The following table presents the carrying values of financial instruments measured at fair value at the end of each reporting period across the three levels of the fair value hierarchy defined in IFRS 13, *Fair Value Measurement*, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement.

The levels are defined as follows:
Level 1: fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments (highest level).
Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation methodologies in which all significant inputs are directly or indirectly based on observable market data.
Level 3: fair values measured using valuation methodologies in which any significant inputs are not based on observable market data.

Financial instrument	Fair value level	Fair value 2024 US$'000	Fair value 2023 US$'000	Valuation technique and key inputs
Financial assets measured at fair value				
Investments in money markets, current accounts, cash funds and income funds	Level 2	**7 485**	6 040	Quoted market price for similar instruments
PGM commodity hedging derivative	Level 2	**14**	2 369	Quoted market metal prices
Forward exchange contracts	Level 2	**366**	68	Quoted market closing exchange rates
Investments in equity instruments	Level 1	**80**	48	Quoted market price
Trade and other receivables measured at fair value				
PGM receivables	Level 2	**34 615**	27 900	Quoted market metal prices and exchange rate
Financial liabilities measured at fair value				
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited	Level 3	**-**	11	Discounted cash flow valuation and a Monte Carlo Simulation model
PGM commodity hedges derivative	Level 2	**40**	-	Quoted market metal prices

There have been no transfers between fair value hierarchy levels in the current year.

Refer to note 20 for the fair value recognised relating to the PGM discounting receivable.

33. FINANCIAL RISK MANAGEMENT (continued)

Fair value gains and losses recognised in the financial instruments during the year:	**2024 US$'000**	2023 US$'000
Changes in fair value of financial assets at fair value through profit or loss		
Investments in equity instruments	**32**	29
Investments in money markets, current accounts, cash funds and income funds	**544**	367
PGM commodity hedges derivative	**-**	4 497
Forward exchange contracts	**272**	258
	848	5 151
Changes in fair value of financial liabilities at fair value through profit or loss		
PGM discount facility hedging derivative	**-**	59
Option granted to NCI to call upon shares in Karo Platinum (Private) Limited - unrealised	**11**	16 768
PGM commodity hedges derivative – realised	**2 988**	
PGM commodity hedges derivative – unrealised	**(2 442)**	-
	557	16 827

Level 3: Option granted to NCI to call upon shares in Karo Platinum (Private) Limited ('Karo Platinum')

The Republic of Zimbabwe has an option to increase its shareholding in Karo Platinum by 11.0% exercisable after 24 months from 30 March 2022, but before 36 months, payable in cash at the net present value of Karo Platinum at 30 March 2022. The option represents a financial instrument which is recognised at fair value through profit or loss. At 30 September 2024, the Group completed a valuation of Karo Platinum. In determining the fair value, the discounted cash flow valuation technique was used. The following significant inputs were used in determining the fair value:

		2024	2023
PGM basket price (6E)	US$/oz	**1 855**	1 565
Base metal basket price	US$/t	**16 929**	19 315
Life of Mine	years	**10**	11
Annual throughput	kt	**220**	215
6E PGM grade per tonne feed	g/t	**3.0**	3.0
Annual production (6E)	koz	**193**	211
PGM recovery	%	**82.74%**	81% first three years, thereafter 83%
WACC	%	**13.2%**	10.4%

The Monte-Carlo simulation was used in determining the fair value of Karo Platinum at the end of the 36-month period (31 March 2025). The option value has been determined by averaging the discounted values between month 25 and 36 (the period in which the option can be exercised). The following significant inputs were used:

		2024	2023
Strike price:	Independently verified net present value of Karo Platinum as at 30 March 2022 using a discounted cash flow model	**US$71.8 million**	US$71.8 million
Valuation of 11.0% of Karo Platinum	Discounted cash flow model	**US$35.3 million**	US$37.4 million
Volatility:	Sector volatility (converted to monthly)	**4.0%**	4.4%
Drift:	Risk free rate (converted to monthly) based on the US risk free zero yield curve and includes a country risk premium for the operations being in Zimbabwe.	**1.5%**	1.3%
Time step:	Annual time intervals	**1.0**	1.0
Discount rate:	Converted to monthly	**0.81%**	0.87%

33. FINANCIAL RISK MANAGEMENT (continued)

Estimation of fair values

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment allowance of trade receivables and the carrying value of trade payables are assumed to approximate their fair values as the short term effect of discounting is not material. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

The carrying value of financial assets and liabilities at amortised cost approximates its fair value.

34. RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of the business, the Group enters into various transactions with related parties. Related party transactions exist between shareholders, directors, directors of subsidiaries and key management personnel. Outstanding balances at the year-end are unsecured and settlement occurs in cash. All intergroup transactions have been eliminated on consolidation.

	2024 US$'000	2023 US$'000
Trade and other receivables (note 20)		
Rocasize Proprietary Limited	**374**	112
Trade and other payables (note 27)		
Rocasize Proprietary Limited	**1**	4
Amounts due to Directors and former Directors		
J Salter	**22**	22
O Kamal	**12**	12
C Bell	**22**	22
R Davey	**19**	19
S Lo Wai Man	**9**	9
C Hao	**9**	
G Zvaravanhu	**17**	
A Djakouris	**-**	12
Z Hong	**-**	9
	110	105
Total other payables	**111**	109

34. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	2024 US$'000	2023 US$'000
Revenue		
Rocasize Proprietary Limited	**12**	-
Cost of sales		
The Tharisa Community Trust	**9**	-
Rocasize Proprietary Limited	**423**	528
Other income		
Rocasize Proprietary Limited	**56**	37

Compensation to key management:

2024	Salary and fees US$'000	Expense allowances US$'000	Share-based payments US$'000	Provident fund and risk benefits US$'000	Bonus US$'000	Total US$'000
Non-Executive Directors	**627**	**-**	**-**	**-**	**-**	**627**
Executive Directors	**1 838**	**6**	**-**	**85**	**468**	**2 397**
Other key management	**1 746**	**12**	**-**	**64**	**408**	**2 230**
	4 211	**18**	**-**	**149**	**876**	**5 254**
2023						
Non-Executive Directors	637	-	-	-	-	637
Executive Directors	1 759	7	606	73	383	2 828
Other key management	1 738	17	187	65	406	2 413
	4 134	24	793	138	789	5 878

Share-based awards to the Directors are disclosed in note 11. Details of each plan are disclosed in note 8. Awards to the key management in the period under review are as follows:

2024 Ordinary shares	**Opening balance**	**Allocated**	**Vested**	**Forfeited**	**Total**
LTIP	**2 987 940**	**1 207 355**	**-**	**(693 923)**	**3 501 372**

2023 Ordinary shares	Opening balance	Allocated	Vested	Forfeited	Total
LTIP	1 642 207	1 668 225	(64 498)	(257 994)	2 987 940

Relationships between parties:

The Tharisa Community Trust and Rocasize Proprietary Limited

The Tharisa Community Trust is a former shareholder of Tharisa Minerals Proprietary Limited The Tharisa Community Trust owns 100% of the issued ordinary share capital of Rocasize Proprietary Limited.

35. CONTINGENT LIABILITIES

As at 30 September 2024, there is no litigation (2023: no litigation), current or pending, which is considered likely to have a material adverse effect on the Group. Refer to note 36 for guarantees.

36. CAPITAL COMMITMENTS AND GUARANTEES

Capital commitments	2024 US$'000	2023 US$'000
Authorised and contracted	**46 098**	156 219
Authorised and not contracted	**831**	1 490
	46 929	157 709

The above commitments are with respect to property, plant and equipment and are outstanding at the respective reporting period. All contracted amounts will be funded through existing funding mechanisms within the Group and cash generated from operations. Balances denominated in currencies other than the US$ were converted at the closing rates of exchange ruling at 30 September 2024.

Guarantees

The Company issued a guarantee limited to US$10.0 million (2023: US$10.0 million) as a security for trade finance facilities provided by a bank to Arxo Resources Limited.

Karo Mining Holdings plc, a subsidiary of the Company, issued fixed income notes with a tenor of three years on 16 December 2022 listed on the Victoria Falls Stock Exchange to the value of US$26.8 million to external subscribers and US$10.0 million to Arxo Finance plc. The Company guarantees the capital repayment and interest of subscribers.

Tharisa Minerals Proprietary Limited entered into an equipment loan facility of US$35.0 million (2023: US$35.0 million) with Caterpillar Financial Services Corporation. The equipment loan facility is secured by a first notarial bond over the equipment and is guaranteed by the Company.

The Company issued a guarantee limited to US$17.4 million (ZAR300.0 million) (2023: US$15.9 million (ZAR300.0 million)) to Absa Bank Limited in respect of the Commercial Asset Finance and overdraft facilities of Tharisa Minerals Proprietary Limited.

The Company guarantees a total of US$8.1 million (ZAR153 million) (2023: US$8.1 million (ZAR153 million)) to third party suppliers of Tharisa Minerals Proprietary Limited.

An insurance company has provided a guarantee to the Department of Mineral Resources to satisfy the legal requirements with respect to environmental rehabilitation and the Group has pledged as collateral its investments in interest-bearing instruments to the insurance company to support this guarantee. The total value of the guarantee is US$31.6 million (ZAR545.5 million) (2023: US$22.1 million (ZAR418.9 million)).

The Company issued a guarantee to Absa Bank Limited which guarantees payment of certain liabilities of Arxo Logistics Proprietary Limited to Transnet amounting to US$1.1 million (ZAR19.4 million) (2023: US$1.0 million (ZAR19.4 million)).

The Company and Arxo Metals Proprietary Limited jointly indemnify a third party for any claims which may result from negligence or breach in terms of the plant operating agreement between Arxo Metals Proprietary Limited and the third-party. This contract expired on 29 September 2024.

37. EVENTS AFTER THE REPORTING PERIOD

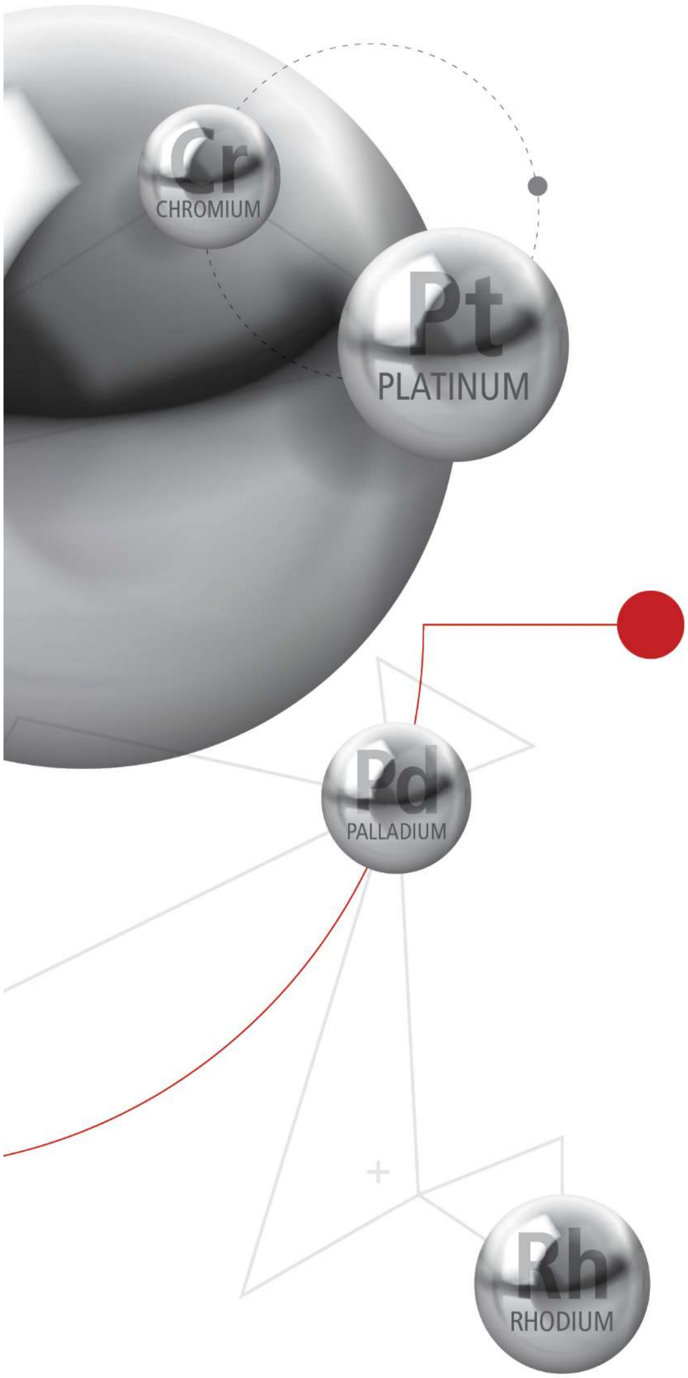
On 27 November 2024, the Board has proposed a final dividend of US 3 cents per share, subject to the necessary shareholder approval at the Annual General Meeting.

The Board of Directors is not aware of any other matter or circumstance arising since the end of the financial year that will impact these financial results.

38. DIVIDENDS

During the year ended 30 September 2024, the Company declared and paid a final dividend of US 2.0 cents per share in respect of the financial year ended 30 September 2023. In addition, an interim dividend of US 1.5 cents per share was declared and paid in respect of the financial year ended 30 September 2024.

During the year ended 30 September 2023, the Company declared and paid a final dividend of US 4.0 cents per share in respect of the financial year ended 30 September 2022. In addition, an interim dividend of US 3.0 cents per share was declared and paid in respect of the financial year ended 30 September 2023.



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SEPARATE FINANCIAL STATEMENTS

30 September 2024

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 September 2024

	Notes	2024 US$'000	2023 US$'000
Revenue	5	**28 750**	41 249
Dividend income		**16 004**	25 000
Interest revenue		**12 746**	16 249
Foreign exchange profit/(loss)		**554**	(30)
Operating expenses	7	**(7 299)**	(6 432)
Reversal of expected credit losses/(expected credit losses raised)	19	**723**	(5 955)
Operating profit		**22 728**	28 832
Finance income	8	**617**	28
Finance costs		**-**	(1)
Changes in fair value of financial assets at fair value through profit or loss	19	**173**	(1 418)
Profit before tax		**23 518**	27 441
Tax	9	**(725)**	(811)
Profit for the year		**22 793**	26 630
Other comprehensive income			
Items that may not be classified subsequently to profit or loss		**-**	-
Items that may be classified subsequently to profit or loss		**-**	-
Other comprehensive income		**-**	-
Total comprehensive income for the year		**22 793**	26 630

The notes on pages 95 to 120 are an integral part of these financial statements.

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STATEMENT OF FINANCIAL POSITION
as at 30 September 2024

	Notes	2024 US$'000	2023 US$'000
Assets			
Non-current assets			
Investment in subsidiaries	10	**367 126**	334 201
Financial assets	11	**4 453**	3 875
Total non-current assets		**371 579**	338 076
Current assets			
Financial assets	11	**34 646**	40 297
Other receivables	12	**4 485**	4 668
Cash and cash equivalents	13	**25 499**	40 442
Total current assets		**64 630**	85 407
Total assets		**436 209**	423 483
Equity and liabilities			
Share capital and premium	14	**346 314**	346 296
Treasury shares	14	**(5 004)**	(3)
Other reserve	14	**47 245**	47 245
Retained earnings	14	**39 468**	22 649
Total equity		**428 023**	416 187
Non-current liabilities			
Deferred taxation	15	**211**	166
Current liabilities			
Other financial liabilities	16	**7 785**	7 025
Current taxation	9	**190**	105
Total current liabilities		**7 975**	7 130
Total liabilities		**8 186**	7 296
Total equity and liabilities		**436 209**	423 483

The financial statements were authorised for issue by the Board of Directors on 27 November 2024.

Phoevos Pouroulis
Director

Michael Jones
Director

The notes on pages 95 to 120 are an integral part of these financial statements.

tharisa plc

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2024

	Note	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Other reserve US$'000	Retained earnings US$'000	Total equity US$'000
Balance at 1 October 2022		303	345 597	(3)	47 245	15 611	408 753
Total comprehensive income for the year							
Profit for the year		-	-	-	-	26 630	26 630
Total comprehensive income for the year		-	-	-	-	26 630	26 630
Transactions with owners of the Company							
Contributions by and distributions to owners							
Issue of ordinary shares	14	-	396	-	-	-	396
Dividends paid	23	-	-	-	-	(20 990)	(20 990)
Equity-settled share-based payments	14	-	-	-	-	1 398	1 398
Contributions by and distributions to owners of the Company		-	396	-	-	(19 592)	(19 196)
Total transactions with owners of the Company		-	396	-	-	(19 592)	(19 196)
Balance at 30 September 2023		303	345 993	(3)	47 245	22 649	416 187
Total comprehensive income for the year							
Profit for the year		**-**	**-**	**-**	**-**	**22 793**	**22 793**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**22 793**	**22 793**
Transactions with owners of the Company							
Contributions by and distributions to owners							
Issue of ordinary shares	14	**-**	**18**	**-**	**-**	**-**	**18**
Ordinary shares repurchased	14	**-**	**-**	**(5 001)**	**-**	**-**	**(5 001)**
Dividends paid	23	**-**	**-**	**-**	**-**	**(10 480)**	**(10 480)**
Equity-settled share-based payments	14	**-**	**-**	**-**	**-**	**4 506**	**4 506**
Contributions by and distributions to owners of the Company		**-**	**18**	**(5 001)**	**-**	**(5 974)**	**(10 957)**
Total transactions with owners of the Company		**-**	**18**	**(5 001)**	**-**	**(5 974)**	**(10 957)**
Balance at 30 September 2024		**303**	**346 011**	**(5 004)**	**47 245**	**39 468**	**428 023**

Companies, which do not distribute 70% of their profits after tax, as defined by the relevant tax law in Cyprus, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 General Healthcare System contribution at a rate of 1,7% - 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 95 to 120 are an integral part of these financial statements.

tharisa
plc

STATEMENT OF CASH FLOWS
for the year ended 30 September 2024

	Notes	**2024 US$'000**	2023 US$'000
Operating cash flows before changes in working capital	17	**(6 217)**	(5 409)
Changes in:			
Other receivables		**1 065**	(350)
Other financial liabilities		**1 438**	(837)
Cash flows used in operations		**(3 714)**	(6 596)
Dividend income	20	**16 004**	25 905
Interest revenue received	20	**10 398**	13 150
Income tax paid	9	**(595)**	(727)
Net cash flows generated from operating activities		**22 093**	31 732
Cash flows from investing activities			
Additions to investment in subsidiaries	10	**(32 370)**	(68 335)
Redemption of unlisted preference shares	10	**10 080**	95 246
Refund of financial assets	11	**72**	-
Repayment of financial assets	11	**-**	445
Interest received	8	**617**	28
Net cash flows (used)/generated from investing activities		**(21 601)**	27 384
Cash flows from financing activities			
Ordinary shares repurchased		**(5 001)**	-
Dividends paid	23	**(10 480)**	(20 990)
Interest paid		**-**	(1)
Net cash flows used in financing activities		**(15 481)**	(20 991)
Net (decrease)/increase in cash and cash equivalents		**(14 989)**	38 125
Cash and cash equivalents at the beginning of the year		**40 442**	2 429
Effect of exchange rate fluctuations on cash held		**46**	(112)
Cash and cash equivalents at the end of the year	13	**25 499**	40 442

The notes on pages 95 to 120 are an integral part of these financial statements.

1. INCORPORATION AND PRINCIPAL ACTIVITIES

Tharisa plc (the 'Company') was incorporated in Cyprus on 20 February 2008 under registration number HE223412 as a private limited liability company under the Cyprus Companies Law, Cap. 113. The Company was converted to a public company and accordingly the name of the Company was changed from Tharisa Limited to Tharisa plc on 19 January 2012. The registered office is at Sofoklis Pittokopitis Business Centre, Office 108-110, 17 Neophytou Nicolaides & Kilkis Street, 8011, Paphos, Cyprus. On 10 April 2014, the Company listed its ordinary share capital on the main board of the Johannesburg Stock Exchange ('JSE') as its primary listing. On 8 June 2016 the Company listed its ordinary share capital as a secondary standard listing on the main board of the London Stock Exchange ('LSE'). On 6 February 2019 the Company listed its ordinary share capital as a secondary listing on the A2X Exchange in South Africa.

The principal activity of the Company is that of an investment holding company with controlling interests mainly in PGM and chrome assets both operational and development stage including mining and processing and associated sales and logistics operations. The principal activity remains unchanged from the previous year.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these annual financial statements are set out below. Where an accounting policy is material and specific to a note, the policy is described in the note which it relates to. These policies have consistently been applied to all the years presented.

2.1. BASIS OF PREPARATION

Statement of compliance
The financial statements have been prepared in accordance with IFRS Accounting Standards, the Listings Requirements of the Johannesburg Stock Exchange and the requirements of the Cyprus Companies Law, Cap. 113. IFRS Accounting Standards comprises the standards issued by the International Accounting Standards Board ('IASB'). Statutory financial statements of the Company were additionally prepared in accordance with IFRS Accounting Standards as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113. These have been approved and issued on the same date and there are no material differences in the two sets of financial statements prepared. These financial statements are the separate financial statements of the Company.

The Company has also prepared consolidated financial statements in accordance with IFRS Accounting Standards for the Company and its subsidiaries ('the Group'). The consolidated financial statements can be obtained from Sofoklis Pittokopitis Business Centre, Office 108-110, 17 Neophytou Nicolaides & Kilkis Street, 8011, Paphos, Cyprus or from the Company's website: www.tharisa.com.

Users of these separate financial statements of the Company should read them together with the Group's consolidated financial statements as at and for the year ended 30 September 2024 in order to obtain a proper understanding of the financial position, the financial performance and the cash flows of the Company and its subsidiaries.

Basis of measurement
The financial statements are prepared on the historical cost basis, except for certain financial instruments that are stated at fair value (note 19).

Functional and presentation currency
The financial statements are presented in United States Dollars ('US$') which is the functional and presentation currency of the Company.

Going concern
The separate financial statements have been prepared on a going concern basis.

Refer to notes 14 and 19 for statements on the Company's objectives, policies and processes for managing its capital, details of its financial instruments, its exposures to market risk in relation to commodity prices and foreign exchange risks, interest rate risk, credit risk, and liquidity risk.

Foreign currency translation
Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Foreign currency gains and losses are reported on a net basis.

2. MATERIAL ACCOUNTING POLICIES (continued)

2.2. STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT YEAR

The Company has adopted the following new and/or revised standards and interpretations which became effective for the year ended 30 September 2024 for which the nature and effect of the changes as a result of the adoption of these new accounting standards are described below:

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
In May 2021, the IASB issued amendments to IAS 12 Income Taxes which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a decommissioning asset and decommissioning liability (or lease asset or lease liability) give rise to taxable and deductible temporary differences that are not equal. This amendment had no impact on the Company's results for the year ended 30 September 2024.

Definition of Accounting Estimate – Amendments to IAS 8
The IASB has issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8) to clarify how entities should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. This is due to the term "accounting estimate" not being defined and the previous definition of a "change in accounting estimate" being unclear.

The amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendment has been applied prospectively and had no impact on the Company's results for the year ended 30 September 2024.

Disclosure of Accounting Policies – Amendments to IAS 1
To assist preparers of financial statements, the IASB had previously refined its definition of 'material' (effective 1 January 2020) and issued non-mandatory practical guidance on applying the concept of materiality. As the final step of the materiality improvements, the IASB issued amendments on the application of materiality to the disclosure of accounting policies. The key amendments include requirements for entities to disclose their material accounting policies rather than their significant accounting policies as well as certain clarifications regarding accounting policies related to material transactions or events.

The amendment has been applied prospectively and had no impact on the Company's results for the year ended 30 September 2024.

International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12
IAS 12 - Income Taxes was amended and requires entities during the period between the legislation being enacted or substantively enacted and the legislation becoming effective to disclose known or reasonable estimable information to their exposure to Pillar Two income taxes. The Company and Group for the year ended 30 September 2024 fall outside the scope of the Organisation for Economic Co-operation and Development (OECD) Pillar Two model rules as the consolidated income is less than €750 million.

2.3. STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The new standards, interpretations and amendments to standards listed below are not effective and have not been early adopted, but will be adopted once these new standards, interpretations and amendments become effective. The Company notes the new standards, amendments and interpretations which have been issued but not yet effective and does not plan to early adopt any of the standards, amendments and interpretations. There are no other standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods.

Classification of Liabilities as Current or Non-current and non-current liabilities with covenants - Amendments to IAS 1
The International Accounting Standards Board (IASB) issued Classification of Liabilities as Current or Non-current and Non-current liabilities with Covenants, which amends IAS 1 Presentation of Financial Statements. The amendments affect requirements in IAS 1 for the classification of liabilities as current or non-current. The amendments clarify what is meant by a right to defer settlement, that a right to defer settlement must exist at the end of the reporting period, the classification is unaffected by the likelihood that an entity will exercise its deferral right, that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification, as well as the required disclosures in this regard. The amendment must be applied retrospectively and is effective for annual periods beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Company's results.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3. STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (continued)

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
In September 2022, the IASB issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendments to IFRS 16 Leases specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments must be applied retrospectively to annual reporting periods beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Company's results.

Disclosures: Supplier Finance Arrangements ‑ Amendments to IAS 7 and IFRS 7
In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. These amendments are not expected to have a material impact on the Company's results.

Lack of Exchangeability - Amendment to IAS 21
In August 2023, the IASB issued Lack of Exchangeability (Amendments to IAS 21), specifying how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. These amendments must be applied retrospectively to annual reporting periods beginning on or after 1 January 2025. These amendments are not expected to have a material impact on the Company's results.

Presentation and Disclosure in Financial Statements – IFRS 18
In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information. The new standard must be applied retrospectively to annual reporting periods beginning on or after 1 January 2027. This impact of this new standard will be assessed on (and applied to) the Company's annual financial statements for the financial year ending 30 September 2028.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- clarified that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition, and introduced an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met;
- clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features;
- clarified the treatment of non-resource assets and contractually linked instruments; and
- requires additional disclosures in IFRS 7 for financial assets and liabilities that with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for reporting periods beginning on or after 1 January 2026. The impact of this new standard will be assessed on (and applied to) the Company's annual financial statements for the financial year ending 30 September 2027.

Annual Improvements to IFRS Accounting Standards—Volume 11
During July 2024, the IASB issued narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments, published in a single *document Annual Improvements to IFRS Accounting Standards—Volume 11, include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS* Accounting Standards.
The amendments are:

- IFRS *1 First-time Adoption of International Financial Reporting Standards;*
- *IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;*
- *IFRS 9 Financial Instruments;*
- *IFRS 10 Consolidated Financial Statements; and*

IAS 7 Statement of Cash Flows.
The amendments are effective for reporting periods beginning on or after 1 January 2026. The impact of this new standard will be assessed on (and applied to) the Company's annual financial statements for the financial year ending 30 September 2027.

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and estimates made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and major sources of estimation uncertainty are disclosed in each note it relates to.

4. SHARE-BASED PAYMENTS

Accounting policy

Equity settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share-based payment is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in the equity (retained earnings). At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The amount recognised as an expense is adjusted to reflect the revision of the original estimate.

Where the Company has the right to elect settlement either equity settled or cash settled, the share-based payment transactions will be treated as equity settled share-based payments as the Company does not have a present obligation to settle in cash.

Conditional awards ('LTIP') is the grant of shares in the Company where the risks and rewards of share ownership will vest on specific vesting dates with the employee subject to certain conditions. LTIPs will vest at the third anniversary of the grant for the 2021, 2022 and 2023 awards. These award, on vesting, may at the election of the Company, be either cash-settled or share-settled as provided for in the rules of the Plan.

Appreciation rights ('SARS') is the grant of an award by the Company where the employee is, subject to certain conditions, entitled to receive the increase in the share value above the award price. The awards may be exercised at any time up to five years from the date of the grant. The appreciation in value may, at the election of the Company, be either cash settled or share settled as provided for in the rules of the Plan. No SARS were issued during the years ended 30 September 2024 and 30 September 2023.

At 30 September 2024, the Company had the following three share-based payment arrangements with the corresponding performance conditions:

Vesting period	**Eighth award: 2021**	**Ninth award: 2022**	**Tenth award: 2023**
Grant date	8 Dec 2021	16 Jan 2023	14 Dec 2023
Vesting date	8 Dec 2024	16 Jan 2026	14 Dec 2026
Performance conditions		**Weighting**	
Actual PGM production compared to market guidance	33.33%	20%	20%
Actual chrome production compared to market guidance	33.33%	20%	20%
Achievement of Karo Platinum project deliverables	-	20%	20%
Actual three-year rolling return on invested capital exceeding the actual three-year rolling weighted cost of capital	11.11%	20%	20%
Performance against environmental plan to reduce carbon emissions by 30% by 2030	11.11%	10%	10%
Achievement of Vision 2025	11.12%	10%	10%

Eighth to tenth awards

These awards comprise of LTIPs only with the measurement periods being aligned to the Group's financial year-end of 30 September. The awards will vest on the third anniversary of the grant date. The three-year vesting period is divided into three annual measurement periods at 30 September, the result of each being aggregated at the end of the vesting period to determine the final vesting percentage. The vesting of these awards is subject to continued employment in good standing, achievement of the performance conditions (set out above) and the following additional conditions:

- The award will be reduced in each annual measurement period by one-third for each fatality that occurred during that measurement period.
- For avoidance of doubt, if any performance condition is not met in any annual measurement period and consequently is forfeited (either wholly or partially) as a result of failure to achieve the performance condition, but the performance condition is achieved in subsequent measurement periods the award will vest for that period as provided.
- The awards are subject to the rules governing the Plan and the final discretion of the Tharisa plc Remuneration Committee will prevail should there be any discrepancy.

4. SHARE-BASED PAYMENTS (continued)

LTIP valuation of share award at grant date:	First measurement period	Second measurement period	Third measurement period
2021 eighth award	US$1.52	US$1.52	US$1.52
2022 ninth award	US$0.92	US$0.92	US$0.92
2023 tenth award	US$0.51	US$0.51	US$0.51

The fair value at grant date of the LTIP awards was determined by present valuing the share price on grant date less the expected dividends and by using the following inputs:

	LTIP 2023 tenth Award	LTIP 2022 ninth Award	LTIP 2021 eighth Award
Spot price	**ZAR14.50**	ZAR20.10	ZAR27.00
Exchange rate ZAR:US$	**18.30**	17.00	15.71
Dividend yield[1]	**14.55%**	8.18%	4.16%
Risk-free interest rate (swap yield curve)[2]	**7.48%**	7.35%	5.76%
Forfeiture assumption[3]	**1.43%**	6.40%	0.10%

[1]The dividend yield was calculated by using forecast dividends which were estimated using a combination of broker consensus forecasts, historical dividend data, and the Company's view of the future dividends.
[2]The swap yield curve was independently constructed using a bootstrapping methodology together with a combination of traded money-market, FRA and swap rate inputs.
[3]This adjustment is made with reference to the percentage of employees that are not expected to fulfil the service based vesting conditions prior to the vesting dates, taking into account the forfeiture assumption based on participants' employee turnover history.

An expense of US$42 thousand (2023: US$23 thousand) was recognised in profit or loss.

A reconciliation of the movement in the Group's LTIP in the period under review is as follows:

2024	**Opening balance**	**Allocated**	**Vested**	**Forfeited***	**Total**
LTIP Ordinary shares	**11 978 371**	**5 171 870**	**-**	**(2 991 628)**	**14 158 613**
2023					
LTIP Ordinary shares	6 989 475	7 210 076	(287 476)	(1 933 704)	11 978 371

* Forfeits includes LTIPs awarded to employees that left the employment of the Group and forfeits relating to the interim measurement periods.

SARS
No SARS were issued during the years ended 30 September 2024 and 30 September 2023 and consequently no expense was recognised during these periods. In terms of previous awards, employees may exercise the SARS within five years from the grant date. During the year ended 30 September 2024, the sixth award was amended to allow employees an additional year to exercise these awards. Consequently the expiry date of this award is 30 June 2025. Number of SARS vested, not yet exercised:

Award date	**Expiry date**	**2024**	2023
30 June 2019 – sixth award	30 June 2025	**1 191 377**	1 193 009
Number of share options exercised during the year		**1 632**	729 914
Weighted average share price of options exercised during the year		**ZAR16.51**	ZAR21.87

Judgements and estimates
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by present valuing the share price on grant date less the expected dividends and by using a Binomial Tree model, using the aforementioned assumptions.

5. REVENUE

Accounting policy

Revenue comprises dividend income received from subsidiaries and interest income relating to intergroup preference share dividends received from subsidiaries. Dividend income is recognised on the date that the Company's right to receive payment is established.

Revenue also comprises of interest revenue recognised and measured on the effective interest rate method, as well as the unwinding of notional interest on financial assets classified and measured at fair value through profit or loss. The interest revenue is recognised when it accrues to the Company.

	2024 US$'000	2023 US$'000
Dividend income - subsidiaries (note 20)	**16 000**	25 000
Dividend income	**4**	-
Interest revenue (note 20)	**12 746**	16 249
	28 750	41 249

The interest revenue on the effective interest rate method of US$11.3 million (2023: US$14.0 million) represents the accrued preference share dividends relating to the preference share investment that forms part of the net investment in Tharisa Minerals (Proprietary) Limited, a subsidiary of the Company. The interest revenue also includes the unwinding of notional interest of US$1.5 million (2023: US$2.2 million) relating to the preference share investment that forms part of the net investment in Arxo Finance plc, a subsidiary of the Company. Refer to note 10.

6. DIRECTORS REMUNERATION

Directors' share awards

Details of each plan are disclosed in note 4. Non-Executive Directors are not entitled to participate in the Group's share award plan. The number of LTIP awarded to the Executive Director by the Company, are set out in the following tables:

2024 LTIP Ordinary shares	**Opening balance**	**Allocated**	**Vested**	**Forfeited**	**Total**
LC Pouroulis	**133 017**	**-**	**-**	**(28 215)**	**104 802**
2023 LTIP Ordinary shares					
LC Pouroulis	82 072	68 702	(3 552)	(14 205)	133 017

The remuneration of the Directors, as paid by the Company, is set out in the following table:

	2024					2023				
	Directors' fees US$'000	**Salary US$'000**	**Bonus US$'000**	**Share-based payment US$'000**	**Total US$'000**	Directors' fees US$'000	Salary US$'000	Bonus US$'000	Share-based payment US$'000	Total US$'000
Executive										
LC Pouroulis	**-**	**72**	**16**	**-**	**88**	-	68	15	-	83
Non-executive										
JD Salter	**122**	**-**	**-**	**-**	**122**	122	-	-	-	122
A Djakouris*	**40**	**-**	**-**	**-**	**40**	104	-	-	-	104
OM Kamal	**61**	**-**	**-**	**-**	**61**	60	-	-	-	60
C Bell	**122**	**-**	**-**	**-**	**122**	122	-	-	-	122
R Davey	**104**	**-**	**-**	**-**	**104**	104	-	-	-	104
SWM Lo	**43**	**-**	**-**	**-**	**43**	42	-	-	-	42
G Zvaravanhu**	**52**	**-**	**-**	**-**	**52**	-	-	-	-	-
C Hao***	**43**	**-**	**-**	**-**	**43**	-	-	-	-	-
ZL Hong****	**-**	**-**	**-**	**-**	**-**	42	-	-	-	42
Total	**587**	**72**	**16**	**-**	**675**	596	68	15	-	679

* Resigned on 21 February 2024

** Appointed on 21 February 2024

*** Appointed on 1 October 2023

**** Resigned on 30 September 2023

7. OPERATING EXPENSES

	2024 US$'000	2023 US$'000
Directors' remuneration (note 6)	**675**	679
Equity-settled share-based payments	**42**	23
	717	702
Business development	**70**	179
Statutory audit services	**331**	319
Consulting and professional	**339**	364
Administration (note 20)	**3 813**	2 966
Net movement in impairment losses for investments in subsidiaries (note 10)	**1 040**	1 000
Listing fees	**409**	455
Travelling	**239**	177
Sundry expenses	**341**	270
	7 299	6 432

8. FINANCE INCOME

	2024 US$'000	2023 US$'000
Interest income	**617**	28

9. TAX

Accounting policy

Income tax comprises current and deferred taxes. Income tax is recognised in profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is established.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

9. TAX (continued)

	2024 US$'000	2023 US$'000
Current tax		
Corporation tax – current year	**57**	111
Special contribution to the defence fund – current year	**103**	-
Dividend withholding tax	**520**	658
	680	769
Deferred tax		
Dividend withholding tax (note 15)	**45**	42
	725	811

Income tax comprises current tax/corporation tax, deferred tax, dividend withholding tax and special contribution for defence. Corporation tax is provided at the rate of 12.5% (2023: 12.5%), dividend withholding tax relating to foreign dividends received at 5.0% and deferred tax at the rate the temporary difference relates to. Special contribution for defence is provided on passive interest at the rate of 30%. 100% of passive interest income is disallowed in the computation of chargeable income for corporation tax purposes (2023: 100%).

Tax reconciliation	**2024 US$'000**	2023 US$'000
Profit before tax	**23 518**	27 441
Tax calculated at 12.5% (2023: 12.5%)	**2 940**	3 430
Tax effect of allowances and income not subject to tax	**(3 760)**	(5 160)
Tax effect of expenses not deductible for tax purposes	**809**	1 717
Current tax - dividend withholding tax	**520**	658
Special contribution to the defence fund	**103**	-
Recognition of deemed interest income for tax purposes	**68**	124
Deferred tax: dividend withholding tax (note 15)	**45**	42
Tax charge	**725**	811

Dividend withholding tax arose on ordinary and preference dividends declared and paid by South African subsidiaries to the Company (refer to notes 10 and 15). Dividend withholding tax is calculated at a tax rate of 5.0% in terms of the Double Taxation Agreement between Cyprus and South Africa.

Tax payable	**2024 US$'000**	2023 US$'000
Balance at the beginning of the year	**105**	63
Current tax charge	**680**	769
Payments made	**(595)**	(727)
Balance at the end of the year	**190**	105

Significant judgement: Taxes

Judgement is required in determining the liability for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws.

10. INVESTMENTS IN SUBSIDIARIES

Accounting policy

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less accumulated impairment losses. Impairment losses are recognised as an expense in the period in which the impairment is identified.

Investments in preference shares issued by subsidiaries where settlement is neither planned nor likely to occur in the foreseeable future forms part of the net investment in subsidiaries. Investments in preference shares for which no preference dividends are accrued are stated at fair value through profit or loss while investments in preference shares for which preference dividends accrue are stated at amortised cost.

		30 Sep 2024			30 Sep 2023	
Unlisted ordinary shares	**Cost/fair value**	**Accumulated impairment losses**	**Carrying/fair value**	Cost/fair value	Accumulated impairment losses	Carrying/fair value
Opening balance	**209 393**	**(27 553)**	**181 840**	141 058	(26 553)	114 505
Additional investment	**32 370**	**-**	**32 370**	68 335	-	68 335
Net impairment loss	**-**	**(1 040)**	**(1 040)**	-	(1 000)	(1 000)
	241 763	**(28 593)**	**213 170**	209 393	(27 553)	181 840
Unlisted preference shares						
Opening balance	**152 361**	**-**	**152 361**	286 546	-	286 546
Redemption	**-**	**-**	**-**	(95 246)	-	(95 246)
Reclassification to short-term	**-**	**-**	**-**	(39 754)	-	(39 754)
Notional unwinding of finance income on preference shares	**1 454**	**-**	**1 454**	2 262	-	2 262
Fair value gain/(loss)	**141**	**-**	**141**	(1 447)	-	(1 447)
	153 956	**-**	**153 956**	152 361	-	152 361

	2024 US$'000	2023 US$'000
Unlisted ordinary shares	**213 170**	181 840
Unlisted preference shares	**153 956**	152 361
	367 126	334 201

10. INVESTMENTS IN SUBSIDIARIES (continued)

The following table contains the particulars of all direct subsidiaries of the Company.

Name	Country of establishment/ incorporation and operation	Principal activities	2024 Holding %	2023 Holding %	Date of incorporation/ establishment/ acquisition	Particulars of issued and paid up capital and other securities	Type of entity
Tharisa Minerals Proprietary Limited	South Africa	Mining of platinum group metals and chrome concentrates	100	100	9 February 2009	500 ordinary shares of ZAR1 each and 1 608 (2023: 1 706) redeemable preference shares of ZAR0.01 each	Limited liability company
Tharisa Investments Limited	Cyprus	Investment holding	100	100	2 November 2010	15 130 class A shares of US$0.01 each	Limited liability company
Arxo Resources Limited	Cyprus	Commodity trading company focussed on sales and marketing of chrome products	100	100	4 February 2011	1 ordinary share of EUR1 each	Limited liability company
Arxo Logistics Proprietary Limited	South Africa	Logistics operations	100	100	1 March 2011	170 ordinary shares of ZAR1 each	Limited liability company
MetQ Proprietary Limited	South Africa	Manufacturing	100	100	1 October 2019	140 ordinary shares of ZAR1 each	Limited liability company
Tharisa Administration Services Limited	Cyprus	Management and administration services to other entities of the Group and the Company	100	100	31 May 2011	1 100 ordinary shares of US$1 each	Limited liability company
Dinami Limited	Guernsey	Marketing of chrome products	100	100	30 May 2013	119 885 ordinary shares of £1 each	Limited liability company
Arxo Finance plc	Cyprus	Financing	100	100	29 June 2018	48 000 ordinary shares of US$1 each and 20 non-cumulative redeemable preference shares of US$1 each	Limited liability company
Salene Chrome Zimbabwe (Private) Limited	Zimbabwe	Mining of chrome concentrates	100	100	31 March 2021	635 ordinary shares of US$1 each	Limited liability company

10. INVESTMENTS IN SUBSIDIARIES (continued)

Name	Country of establishment/ incorporation and operation	Principal activities	2024 Holding %	2023 Holding %	Date of incorporation/ establishment/ acquisition	Particulars of issued and paid up capital and other securities	Type of entity
Arxo Prospecting (Cyprus) Limited	Cyprus	Prospecting	100	100	19 April 2021	1 200 ordinary shares of US$1 each	Limited liability company
Arxo Exploration (Cyprus) Limited	Cyprus	Exploration	100	100	20 April 2021	1 330 ordinary shares of US$1 each	Limited liability company
Arxo Technologies Limited	Cyprus	Research and development	100	100	30 June 2021	2 000 ordinary shares of US$1 each	Limited liability company
Redox One Limited	Cyprus	Research and development in renewable energy solutions	100	100	18 April 2022	445 ordinary shares of US$1 each	Limited liability company
Skyler Storm (Private) Limited	Zimbabwe	Mining and beneficiation of chrome concentrates	100	100	1 December 2021	200 000 ordinary shares of US$1 each	Limited liability company
Karo Mining Holdings plc	Cyprus	Investment holding company	76.22	75	30 March 2022	57 032 ordinary shares of US$1 each	Limited liability company

During the year ended 30 September 2024, the Company subscribed for:

- 1 ordinary class A share issued by Tharisa Investments Limited at US$140 000 per share
- 118 885 ordinary shares issued by Dinami Limited at US$1.26 per share (US$150 thousand)
- 245 ordinary shares issued by Redox One Limited at US$20 000 a share (US$4.9 million)
- 100 ordinary shares issued by Arxo Prospecting (Cyprus) Limited at US$1 000 a share (US$0.1 million)
- 230 ordinary shares issued by Arxo Exploration (Cyprus) Limited at US$1 000 a share (US$230.0 thousand)
- 1 000 ordinary shares issued by Arxo Technologies Limited at US$4 500 a share (US$4.5 million)
- 235 ordinary shares issued by Salene Chrome Zimbabwe (Private) Limited at US$10 000 per share (US$2.35 million).

During the year ended 30 September 2023, the Company subscribed for an additional 100 ordinary shares issued by Redox One Limited at US$20 000 a share (US$2.0 million) and an additional 25 ordinary shares issued by MetQ Proprietary Limited at ZAR25 million (US$1.3 million).

Increase in shareholding in Karo Mining Holdings plc ('Karo Mining')
During the year ended 30 September 2024, Karo Mining issued an additional 2 784 new ordinary shares for a cash subscription of US$20.0 million to the Company. The additional shares issued represented 1.22% of the issued share capital of Karo Mining which increased the Company's shareholding to 76.22%.

During the year ended 30 September 2023, Karo Mining issued an additional 9 048 new ordinary shares for a cash subscription of US$65.0 million to the Company. The additional shares issued represented 5.00% of the issued share capital of Karo Mining which increased the Company's shareholding to 75.00%.

10. INVESTMENTS IN SUBSIDIARIES (continued)

Terms of preference shares of Tharisa Minerals Proprietary Limited ('Tharisa Minerals')

The preference shares of US$135.7 million (2023: US$135.7 million) confer on the holder the right to receive out of distributable profits of Tharisa Minerals a cumulative preferential cash dividend calculated at the rate of twelve – month SOFR + 1.7% pa (2023: twelve – month SOFR + 1.7% pa), on the basis that it shall be due and payable annually on the dividend date (30 September). The preference dividend shall, in respect of each preference share which has not been redeemed, be declared and paid on each dividend date and will be calculated at the dividend rate on the subscription price. The redemption date is the earlier of the tenth business day after receipt by the preference shareholder of a written notice given by Tharisa Minerals, which notice Tharisa Minerals may give at any time, or the tenth business day after receipt by Tharisa Minerals of a written notice given by the preference shareholder. The remaining preference share capital investment of US$135.7 million (2023: US$135.7 million) is treated by the Company as part of the net investment in Tharisa Minerals on the basis that the redemption is neither planned nor likely to occur in the foreseeable future. The preference shares are subordinated in favour of Tharisa Minerals' bank borrowings.

During the year ended 30 September 2023, Tharisa Minerals notified the Company of its intention to redeem US$135.0 million of the redeemable cumulative preference share capital. During the year ended 30 September 2024, US$10.1 million of the redeemable preference share capital has been redeemed (2023: redemption of US$95.2 million). The remainder of the redeemable portion of the preference share capital balance of US$29.7 million (2023: US$39.8 million) is classified as a receivable on the basis that the Company expects the redemption in the foreseeable future, refer to note 11.

During the year ended 30 September 2024, US$10.4 million (2023: US$13.2 million) of accrued preference dividends was paid by Tharisa Minerals. All accrued dividends are classified as short-term receivables as settlement of the Tharisa Minerals preference share dividends occurred and will occur in the foreseeable future, refer to note 11.

Terms of redeemable preference shares of Arxo Finance plc

The preference share investment of US$18.2 million (2023: US$16.6 million) is treated by the Company as part of the investment in Arxo Finance plc. The non-cumulative redeemable preference shares, at a subscription price of US$1 000 000 per share, of which US$1 allocated as par value and US$999 999 as a share premium entitles the holder thereof to an annual dividend at a variable rate equal to three – month SOFR + 275 basis points (2023: equal to three – month SOFR + 275 basis points). Such dividend payment rights will only accrue for as long as there are sufficient accumulated distributable reserves in any given financial year, as well as an express declaration of dividends by the board of directors of Arxo Finance plc. The non-cumulative redeemable preference shares may be redeemed at the earlier of three years at the election of Arxo Finance plc or after five years at election of the Company from 31 March 2020. The redemption of the preference shares by the Company and Arxo Finance plc is neither planned nor likely to occur in the foreseeable future and are therefore treated by the Company as part of the net Investment in Arxo Finance plc. Arxo Finance plc has not declared any preference dividends during the year ended 30 September 2024 (2023: no preference dividends declared). The redemption of the preference shares may be either at the behest of the Company or the preference shareholders, calculated as follows:

(i) the original subscription price;
(ii) all dividends which have been expressly declared and have accrued (but have not been paid); and
(iii) any other interest arrears.

Impairment of investment in MetQ Proprietary Limited ('MetQ')

During the year ended 30 September 2022, the cost of the investment in MetQ of US$2.7 million was impaired by US$1.6 million. The Company increased its investment in MetQ during the year ended 30 September 2023 by US$1.3 million, which enabled MetQ to reduce debt and assist with working capital requirements. Even though the operational performance improved for the year ended 30 September 2023, compared to the performance for the year ended 30 September 2022, the Company believed that the operational performance of MetQ was still below expectation and that an impairment indicator was still present at 30 September 2023. The total investment in MetQ of US$2.4 million was tested for impairment by determining the value in use and the fair value less cost to sell. The Company believed that no additional impairment was required at 30 September 2023 as the fair value less cost to sell, being higher than the value in use, supported the recoverability of the investment in MetQ.

At 30 September 2024, the total cost of the investment in MetQ was US$4.0 million of which US$1.6 million was impaired during the year ended 30 September 2022. During the year ended 30 September 2024, the operational performance of MetQ improved further compared to previous financial years. Performance of MetQ was according to expectation and consequently the Company believes that the previous identified impairment indicator no longer existed at 30 September 2024. The total investment in MetQ of US$4.0 million was tested for impairment by determining the value in use. The recoverable amount of the investment in subsidiary was calculated at US$3.8 million and consequently a reversal of impairment loss of US$1.4 million was recognised in other operating expenses. The discount rate used within the value in use calculation (representing the weighted average cost of capital) was a real discount rate of 12.6%.

10. INVESTMENTS IN SUBSIDIARIES (continued)

Impairment of investment in Salene Chrome Zimbabwe (Private) Limited ('Salene')
During previous financial years, the operations at Salene were put on care and maintenance resulting in the Company impairing its investment of US$8.8 million in Salene in full. At 30 September 2023, the operations remained on care and maintenance.

Even though the additional capital investment in Salene of US$2.35 million during the year ended 30 September 2024 enabled Salene to reduce debt and assist with working capital requirements, at 30 September 2024, the operational environment and circumstances of Salene have not improved and the operations remained on care and maintenance. Consequently the Company believes that an impairment indicator was still present at 30 September 2024. The additional investment in Salene with a cost of US$2.35 million was tested for impairment by determining the value in use and the fair value less cost to sell. The Company performed a value in use calculation and concluded that the recoverable amount of the investment in subsidiary is zero. The discount rate used within the value in use calculation represented the weighted average cost of capital and was a real discount rate of 12.6%. Consequently an impairment charge of US$2.35 million was recognised in other operating expenses. The impairment was not tax deductible.

Impairment of investment in Skyler Storm (Private) Limited ('Skyler')
At 30 September 2023, due to prolonged delays in commencing operations at Skyler, the plant remained on care in maintenance which resulted in Skyler's liabilities exceeding its assets. Consequently the Company believed that an impairment indicator was present. The cost of the investment was US$1.0 million. The investment in Skyler was tested for impairment and the Company concluded that the fair value less cost to sell value exceeded the value in use. The key inputs used by the Company in determining the fair value less cost to sell represented adjusted unobservable information with specific reference to the estimated disposal value and replacement cost of chrome plants (fair value hierarchy level 3). The Company concluded that the fair value less cost to sell would have resulted in a negative value and consequently an impairment loss of US$1.0 million was recognised in other operating expenses (note 7).

At 30 September 2024, the operational environment and circumstances of Skyler have not improved and the operations remain on care and maintenance.

Impairment of investment in Tharisa Investment Limited ('Tharisa Investments')
The Company increased its investment in Tharisa Investments by subscribing for an additional share of US$140 thousand during the year ended 30 September 2024. The total cost of investment in Tharisa Investments prior to the subscription was US$17.0 million which was fully impaired. The Company performed a value in use calculation and concluded that the recoverable amount of the investment in subsidiary is zero. Consequently an impairment charge of US$140 thousand was recognised in other operating expenses.

Judgement and estimates: recoverability of investment in subsidiaries and other receivables
The recoverable amounts of the Company's investment in subsidiaries and other receivables have been based on either cash flow projections or fair value less cost to sell, as appropriate, both as at 30 September 2024 and 30 September 2023. The internal financial model is based on the known and confirmed resources and circumstances of each investment and receivable and includes cash flow projections resulting from approved capital projects.
The following underlying assumptions were used in the discounted cash flow model in determining the value in use recoverable amounts of the investments in Tharisa Minerals and Karo Mining:

- a discount rate of 13.3% (2023: 12.2%) for Tharisa Minerals and 13.2% (2023: 10.4%) for Karo Mining;
- forecast timing of cash flows reflects actual practices;
- a forecast period of 12 years (2023: 18 years) for Tharisa Minerals and a forecast period of 10 years (2023: 11 years) for Karo Mining;
- an exchange rate of ZAR17.27:US$1 (2023: ZAR18.14:US$1);
- spot PGM basket price of US$1 545/oz (2023: US$1 565/oz) and spot chrome concentrate prices of US$276/tonne) (2023: 280/tonne); and
- future ongoing capital requirements were included necessary to maintain the assets in its current conditions.

Sensitivity analyses were performed by increasing and decreasing the above assumptions individually and collectively by 10%. The recoverable amounts were higher than the carrying amounts of the investments and consequently no impairment or allowance for credit losses has been recognised. The calculated recoverable amounts are most sensitive to inputs used for forecast spot PGM basket and chrome concentrate prices, therefore decreases in these prices could erode the headroom and result in potential impairments of these investments.

11. FINANCIAL ASSETS

Accounting policy

Measurement: Financial assets at amortised cost

Financial assets at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost less any impairment.

Measurement: Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

Hedge accounting

The Company does not apply hedge accounting.

	Fair value hierarchy	**2024 US$'000**	2023 US$'000
Non-current financial assets			
Share-based payment receivables from related parties (note 20)	Level 2	**4 453**	3 875
Current financial assets			
Unlisted preference shares – Tharisa Minerals Proprietary Limited (note 10)		**29 674**	39 754
Share-based payment receivables from related parties (note 20)	Level 2	**4 892**	495
Shares in Bank of Cyprus Public Co Limited	Level 1	**80**	48
		34 646	40 297

Unlisted preference shares – Tharisa Minerals Proprietary Limited ('Tharisa Minerals')

This balance represents the preference share capital that remains redeemable as at 30 September 2024 as the Company expects redemption in the foreseeable future, refer to note 10. The unlisted preference shares are stated at amortised cost which approximates their fair value.

Shares in Bank of Cyprus Public Co Limited

The financial assets at fair value through profit or loss represent shares in Bank of Cyprus Public Co Limited that are marketable securities and are valued at market value at the close of business on 30 September 2024 by reference to latest available stock exchange quoted bid prices. These financial assets are measured at fair value through profit or loss.

12. OTHER RECEIVABLES

Accounting policy

Other receivables, prepayments, deposits and dividends receivable, are non-derivative financial assets categorised as financial assets measured at amortised cost. The accounting policy for expected credit losses is disclosed in note 19.

	2024 US$'000	2023 US$'000
Accrued interest revenue – preference share dividends (note 20)	**4 218**	3 324
Receivables from related parties (note 20)	**100**	1 220
Deposits and prepayments	**144**	107
Other	**23**	17
	4 485	4 668

The carrying amount of other receivables approximate its fair value.

13. CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents comprise cash at bank, demand deposits with banks and other financial institutions, and short-term, highly liquid investments held for the purpose of meeting short-term cash commitments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value and a maturity of three months or less.

	2024 US$'000	2023 US$'000
Cash at bank	**1 499**	40 182
Bank deposits	**24 000**	260
	25 499	40 442

13. CASH AND CASH EQUIVALENTS (continued)

The credit exposure by credit ratings of financial institutions are as follows:	**2024 US$'000**	2023 US$'000
A+	**11 354**	40 044
A-	**51**	49
BB+	**14 094**	349
	25 499	40 442

As at 30 September 2024, US$0.3 million (2023: US$0.3 million) served as security against certain credit facilities of the Company and its subsidiaries. The amounts reflected above approximate their fair values.

14. SHARE CAPITAL AND RESERVES

Accounting policy: share capital
The share capital is stated at nominal value. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Accounting policy: treasury shares
The cost of the repurchase of the Company's own shares is deducted from equity. Where they are purchased, issued to employees or sold, no gain or loss is recognised in the statement of income. Such gains and losses are recognised directly in equity.

Share capital	**30 September 2024**		30 September 2023	
	Number of Shares	**US$'000**	Number of Shares	US$'000
Authorised – ordinary shares of US$0.001 each				
As at 30 September	**10 000 000 000**	**10 000**	10 000 000 000	10 000
Authorised – convertible redeemable preference shares of US$1 each				
As at 30 September	**1 051**	**1**	1 051	1
Issued				
Ordinary shares				
Balance at the beginning and end of the year	**302 596 743**	**303**	302 596 743	303
Share premium				
Balance at the beginning of the year	**300 019 694**	**345 993**	299 746 365	345 597
Issued during the year	**21 615**	**18**	273 329	396
Balance at the end of the year	**300 041 309**	**346 011**	300 019 694	345 993
Treasury shares				
Balance at the beginning of the year	**2 577 049**	**3**	2 850 378	3
Transferred as part of management share award plans	**(21 615)**	**-**	(273 329)	-
Shares repurchased during the year	**4 836 918**	**5 001**	-	-
Balance at the end of the year	**7 392 352**	**5 004**	2 577 049	3

Share capital
No shares were issued during the years ended 30 September 2024 and 30 September 2023.

During the year ended 30 September 2024, 4 836 918 ordinary shares were repurchased while 21 615 (2023: 273 329) ordinary shares were transferred from treasury shares to satisfy the vesting/exercise of Conditional Awards and Appreciation Rights by the participants of the Tharisa Share Award Plan.

At 30 September 2024, 7 392 352 (2023: 2 577 049) ordinary shares were held in treasury.

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares, other than treasury shares, are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

14. SHARE CAPITAL AND RESERVES

Share premium
The share premium represents the excess of the issue price of ordinary shares over their nominal value, to the extent that it is registered at the Registrar of Companies in Cyprus, less share issue costs. The share premium is not distributable for dividend purposes.

The increase in the share premium account during the years ended 30 September 2024 and 30 September 2023 relates to the issue and allotment of ordinary shares to satisfy the vesting/exercise of Conditional Awards and Appreciation Rights by the participants of the Tharisa Share Award Plan.

Other reserve
The other reserve represents a historic ordinary share issue by the Company to parties external to the Group in exchange for preference shares in Tharisa Minerals. The ordinary shares were issued at a price reflective of the fair value of the preference shares less share issue costs, which was in excess of the nominal value of the ordinary shares, but the excess was not registered as share premium at the Registrar of Companies in Cyprus, thus presented and disclosed separately from share premium. The other reserve is not distributable for dividend purposes.

Retained earnings
The retained earnings include the accumulated retained profits and losses of the Company (2024: US$32.5 million (2023: US$20.0 million)) and the share-based payment reserve (2024: US$7.0 million (2023: US$2.6 million)). Retained earnings are distributable for dividend purposes.

Capital management
The Company's target is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business in a way that optimises the cost of capital and matches the current strategic business plan. The Board of Directors monitors both the demographic spread of shareholders, as well as the return on capital. Capital is defined as equity attributable to owners of the Company. Management is aware of the risks associated to capital management. Capital needs are monitored on a regular basis and whenever needed management takes steps to effectively manage any corresponding risks.

15. DEFERRED TAX

	2024 US$'000	2023 US$'000
Deferred tax liability		
Dividend withholding tax	**211**	166
Reconciliation of deferred tax liability		
Balance at the beginning of the year	**166**	124
Temporary differences recognised in profit or loss in relation to:		
Dividend withholding tax	**45**	42
	211	166

The deferred tax liability relates to dividend withholding tax raised on accrued dividends amounting to US$4.2 million (2023: US$3.3 million) which were classified as short-term receivables, as the Company expects settlement in the foreseeable future. The accrued dividends attract dividend withholding tax at a rate of 5.0% (2023: 5.0%) upon payment. The Company raised the relevant dividend withholding tax as deferred tax since settlement of the accrued preference dividends is expected within the foreseeable future.

16. OTHER FINANCIAL LIABILITIES

Accounting policy: financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value.

The fair value of a financial guarantee contract issued by the Company for no premium is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee.

Subsequent to initial recognition, the financial guarantee liabilities relevant to the company are mainly measured at their expected credit losses in terms of IFRS 9.

The Company's liability under a financial guarantee that is subsequently measured at its expected credit loss in terms of IFRS 9 is determined based on the cash shortfalls representative of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the entity (issuer) expects to receive from the holder, the debtor or any other party.

	2024 **US$'000**	2023 US$'000
Accruals	**370**	367
Financial guarantee contract liability (note 19)	**4 972**	5 695
Other payables	**670**	635
Share-based payment liabilities to related parties (note 20)	**-**	4
Payables to related parties (note 20)	**1 773**	324
	7 785	7 025

The Company issued financial guarantee contracts to the related party creditors of Skyler Storm (Private) Limited and Salene Chrome Zimbabwe (Private) Limited. These financial guarantee contracts were effective for the entire years ended 30 September 2024 and 30 September 2023. The recognised value linked to these financial guarantee contracts represent the expected cash shortfalls in settling these receivables which the Company would need to reimburse the holders for, if called upon. Refer to the financial guarantee credit risk and liquidity risk disclosures in note 19.

The amounts reflected above approximate their fair values.

17. OPERATING CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL

	2024 **US$'000**	2023 US$'000
Profit for the year	**22 793**	26 630
Adjustments for:		
Net movement in impairment losses for investments in subsidiaries (note 10)	**1 040**	1 000
(Reversal of expected credit losses)/expected credit losses (note 16)	**(723)**	5 955
Changes in fair value of financial assets at fair value through profit or loss (note 19)	**(173)**	1 418
Dividend income (note 5)	**(16 004)**	(25 000)
Interest revenue (note 5)	**(12 746)**	(16 249)
Finance income (note 8)	**(617)**	(28)
Finance costs	**-**	1
Foreign exchange (gain)/loss	**(554)**	30
Tax (note 9)	**725**	811
Equity-settled share-based payments (note 4)	**42**	23
Operating cash flows before changes in working capital	**(6 217)**	(5 409)

18. DIRECTORS INTEREST IN STATED CAPITAL

	2024 %	2023 %
LC Pouroulis	**0.42**	0.41
P Pouroulis	**2.73**	2.69
MG Jones	**0.24**	0.24
C Bell	**0.02**	0.02
A Djakouris*	**-**	0.01
Total	**3.41**	3.37

* Resigned 21 February 2024

Where a member of the Board of Directors holds no direct or indirect interest, the director is not reflected in the table above. There has been no change in the Director's interests in the share capital of the Company between the end of the financial year and the date of the approval of the financial statements.

19. FINANCIAL RISK MANAGEMENT

Accounting policy: classification

The Company classifies its financial instruments in the following categories:

- At fair value through profit or loss
- At amortised cost

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest' ('SPPI') on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Equity instruments that are held for trading are classified at fair value through profit or loss, for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income. Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as derivatives) or the Company has designated to measure them at fair value through profit or loss.

The following table presents the classification of financial instruments:

Financial assets	**Classification**
Financial assets	
Investment in equity instruments	Fair value through profit or loss
Investments in unlisted preference shares – Tharisa Minerals Proprietary Limited	Amortised cost
Investments in unlisted preference shares – Arxo Finance plc	Fair value through profit or loss
Other receivables	Amortised cost
Cash and cash equivalents	Amortised cost

Financial liabilities	**Classification**
Other payables	Amortised cost

Accounting policy: expected credit losses/Impairment of financial assets

Impairment requirements are based on expected credit losses (expected credit loss model). Expected credit losses ('ECLs') are an estimate of credit losses over the life of a financial instrument and are recognised as a loss allowance or provision. The amount of ECLs to be recognised depends on the extent of credit deterioration since initial recognition. The Company applies the expected credit loss model to all debt instruments classified as measured at amortised cost.

19. FINANCIAL RISK MANAGEMENT (continued)

Accounting policy: expected credit losses/Impairment of financial assets (continued)

The general approach requires the assessment of financial assets to be split into 3 stages:

Stage 1: no significant deterioration in credit quality. This identifies financial assets as having a low credit risk, and the asset is considered to be performing as anticipated. At this stage, a 12-month expected credit loss assessment is required.

Stage 2: significant deterioration in credit quality of the financial asset but no indication of a credit loss event. This stage identifies assets as under-performing. Lifetime expected credit losses are required to be assessed.

Stage 3: clear and objective evidence of impairment is present. This stage identifies assets as non-performing financial instruments. Lifetime expected credit losses are required to be assessed.

Once a default has occurred, it is considered a deterioration of credit risk and therefore an increase in the credit risk.

The Company considers a wide variety of indicators when assessing the increase in credit risk as well as the probability of the default happening for impairment purposes. Some indicators considered include: Significant changes in the expected performance and behaviour of the debtor; past due information; significant changes in external market indicators including market information related to the debtor, existing or forecast adverse changes in business, financial or economic conditions; an actual or expected significant adverse change in the regulatory, economic, or technological environment; actual or expected significant internal credit rating downgrade or decrease; actual or expected significant change in the operating results of the debtor.

The expected credit loss value is determined as the estimated cash shortfall that would be incurred, multiplied by the probability of the default occurring.

Measurement: Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value. Financial assets are subsequently carried at amortised cost less any impairment/expected credit loss allowance while financial liabilities are subsequently carried at amortised cost.

Measurement: Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

Derecognition: Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognised in the statement of profit or loss.

Derecognition: Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss.

In the ordinary course of business the Company is exposed to credit risk, liquidity risk, and market risk. This note presents information about the Company's exposure to each of the aforementioned risks and its objectives, policies and processes for measuring and managing risks. Further quantitative disclosures are included throughout this note.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company’s financial assets and issued financial guarantee contracts.

Credit risk from the Company’s financial assets

The most significant exposure for the Company to credit risk is represented by the carrying amount of receivables from related parties, other financial assets and receivables, unlisted preference share investments in subsidiaries and cash and cash equivalents.

19. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

Financial assets, other receivables and unlisted preference share investments in subsidiaries

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each party. However, management also considers the demographics of each party including the default risk of the industry and country in which they operate, as these factors may have an influence on credit risk. In monitoring credit risk, management reviews on a regular basis the ageing and the current and anticipated financial position and profitability of entities included in receivables from related parties, unlisted preference share investment in Tharisa Minerals Proprietary Limited and Arxo Finance plc and other financial assets and receivables.

The Company establishes an allowance for credit losses that represents its estimate of expected credit losses. The main component of this allowance is a specific loss component that relates to individually significant credit risk exposures. At the reporting date, the Board of Directors is of the opinion that the expected credit loss provision raised during the year ended 30 September 2023 against the balances owing by Salene Chrome Zimbabwe (Private) Limited ('Salene') of US$175 thousand and Skyler Storm (Private) Limited ('Skyler') of US$85 thousand remains a fair reflection of the potential risk of default and counterparties potentially not having the ability in the foreseeable future to satisfy their contractual cash flow obligations to the Company.

The credit risk linked to the receivables from Salene and Skyler remains significant at 30 September 2024 due to their inability to meet their contractual cash flow obligations which are as a result of operations that have temporarily been stopped and which remain on care and maintenance for a prolonged period of time. The Company raised a stage 2 lifetime expected credit loss provision during the financial year ended 30 September 2023 for these receivables based on the estimated cash shortfall determined as the expected difference between the contractual cash flows due and the expected cash flows to be received from these subsidiaries, for which consideration was given to the probability of the expected success of the mining projects which are currently in progress within these entities.

A reconciliation of the expected credit loss provision on the Company's financial assets:	**Receivables from related parties**	
	2024	2023
	US$'000	US$'000
Opening balance	**260**	-
Expected credit loss charged to profit or loss – receivables from related parties	**-**	260
Closing balance	**260**	260

The other carrying amounts in terms of other financial assets and receivables, receivables from related parties and the unlisted preference share investment in Tharisa Minerals are not considered to be impaired nor having a material expected credit loss to be raised as the counterparties are viewed as having a low risk of default, strong capacity to meet their contractual cash flow obligations and adverse changes in economic and business conditions are not expected to significantly impact the ability to meet contractual cash flow obligations.

Cash and cash equivalents

The Company limits its exposures on cash and cash equivalents by dealing only with well-established financial institutions of high-quality credit standing. At the reporting date, the majority of the Company's cash resources was deposited with Bank of Cyprus and HSBC (Hong Kong). A counter party credit risk analysis is undertaken by the Company at least bi-annually.

The maximum exposure to credit risk at the reporting date for the company is reflected by the gross carrying amount of financial assets as disclosed below:

	2024	2023
	US$'000	US$'000
Unlisted preference share investments in Tharisa Minerals Proprietary Limited	**135 720**	135 720
Unlisted preference share investments in Arxo Finance plc	**18 237**	16 641
Non-current financial assets	**4 453**	3 875
Current financial assets	**34 646**	40 297
Other receivables	**4 485**	4 668
Cash and cash equivalents	**25 499**	40 442
	223 040	241 643

19. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)
Credit risk from the Company's issued financial guarantee contracts
From the financial guarantee contracts issued by the Company as disclosed in note 20, only the financial guarantee contracts issued to the related party creditors of Salene and Skyler, with a gross credit risk exposure of US$8.1 million and US$1.3 million respectively (2023: US$9.0 million and US$1.0 million respectively), were assessed and determined to require the recognition of an expected credit loss.

During the year ended 30 September 2023, the Company recognised an expected credit loss provision, representing a stage 2 lifetime expected credit loss, as a result of a significant increase in credit risk due to the deteriorating ability of these entities to meet their contractual cash flow obligations. The expected credit loss provision raised amounting to US$5.7 million on these financial guarantees were based on potential cash shortfalls by Salene Chrome and Skyler Storm, after taking their future expected ability to settle the payments due to the creditors into account, for which consideration was given to their operations that have temporarily been halted, remaining on care maintenance for a prolonged period of time as well as the probability of the success of the mining projects which are currently in progress within these entities. The expected credit loss represents the potential payments to be made by the Company to reimburse these creditors for a credit loss that they could potentially incur if the financial guarantees are called upon by these creditors.

During the year ended 30 September 2024, the Company subscribed for additional share capital in Salene amounting to US$2.35 million (refer to note 10). The additional cost of investment was immediately impaired. The additional capital enabled Salene to settle some of its commitments resulting in a reduced credit risk exposure to the Company. Consequently and considering exposure to commitments that arose during the year ended 30 September 2024, the Company reversed US$1.7 million of the previously recognised credit loss provision relating to Salene. However, since operational circumstances at Skyler at 30 September 2024 remained unchanged from 30 September 2023, the Company increased its expected credit loss provision relating to Skyler by US$1.0 million resulting in a total net reversal (including Salene and Skyler) of the expected credit loss provision of US$0.7 million.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management is aware of the above risk. Liquidity risk is monitored on a regular basis and management is taking steps deemed necessary to manage the corresponding risk. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, financial risk management may not be possible for instances where weakened commodity prices exist, forecast production not being achieved and funding is not raised.

The following table presents the remaining contractual maturities of the Company's financial liabilities at the end of the reporting period, which are based on contractual undiscounted cash flows and the earliest date the Company can be required to pay:

	Contractual undiscounted cash flow			
30 September 2024	**Within 1 year or on demand US$'000**	**Between 2 and 3 years US$'000**	**Total US$'000**	**Carrying amount US$'000**
Other financial liabilities	**2 813**	**2 813**	**2 813**	**2 813**
Financial guarantees	**38 896**	**37 720**	**76 616**	**4 972**
30 September 2023				
Other financial liabilities	1 330	-	1 330	1 330
Financial guarantees	39 463	36 392	75 855	5 695

The values disclosed for the financial guarantees within the liquidity risk maturity analyses represent the gross value of financial guarantees the Company has issued while the carrying amount represents the amount related to these guarantees as included in the statement of financial position.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

19. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

Equity price risk

Equity price risk is the risk that changes in equity prices will affect the Company's income or the value of its investment holdings. The maximum exposure to equity price risk is represented by the carrying amount of investments in unlisted shares as disclosed in note 10 to the financial statements.

The Board of Directors has performed an impairment assessment of the investments in subsidiaries based on the higher of value in use or the fair value less cost to sell and has concluded that indications of impairment were present at 30 September 2024 and 30 September 2023. Certain investments were impaired during the years ended 30 September 2024 and 30 September 2023. Refer to note 10.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially dependent of changes in market interest rates. Other than cash at bank which attracts interest at normal commercial rates and investments in preference shares of subsidiary companies, the Company has no other significant interest-bearing financial assets. Management is aware of the above risks. Interest rate risk is monitored on a regular basis and management is taking steps deemed necessary in an attempt to manage the corresponding risk.

At the reporting date the interest rate profile of interest-bearing financial instruments were:

Unlisted preference shares	Effective interest rate 2024	Effective interest rate 2023	2024 US$'000	2023 US$'000
Unlisted preference shares in Tharisa Minerals Proprietary Limited (non-current)	**12 – month SOFR + 1.7%**	12 – month SOFR + 1.7%	**135 720**	135 720
Unlisted preference shares in Tharisa Minerals Proprietary Limited (current)	**12 – month SOFR + 1.7%**	12 – month SOFR + 1.7%	**29 674**	39 754
Unlisted preference shares in Arxo Finance plc	**3 – month SOFR + 2.75%**	3 – month SOFR + 2.75%	**18 237**	16 641
			183 631	192 115

Sensitivity analysis

An increase of 100 basis points in interest rates at the reporting date would have increased equity and profit or loss by approximately US$1.9 million (2023: US$2.1 million). This analysis assumes that all other variables and in particular foreign exchange rates, remain constant. The analysis is performed on the same basis for 30 September 2023. A decrease of 100 basis points in interest rates at the reporting date would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the exchange rate movement in South African Rand ('ZAR'), British Pound ('GBP') and Euro ('€') against the US$. Management is aware of the above risk. Currency risk arising from currency fluctuations is monitored on a regular basis and management is taking steps deemed necessary to manage the corresponding risk.

The following table details the Company's exposure at the end of the reporting period to currency risk arising from recognized financial assets and financial liabilities denominated in a currency other than the functional currency of the Company. For presentation purposes, the amounts of the exposure are presented in US$, translated using the spot rate at the reporting date. The spot rates used at the reporting date against the US$ are US$:ZAR 17.27 (2023: 18.91); US$:EUR 0.90 (2023: 0.94) and US$:GBP 0.75 (2023: 0.82).

Amounts in US$'000	**2024 €**	**2024 ZAR**	**2024 GBP**	2023 €	2023 ZAR	2023 GBP
Financial assets	**-**	**9 344**	**-**	48	4 370	-
Other receivables	**8**	**43**	**67**	5	50	43
Cash and cash equivalents	**35**	**59**	**9**	37	424	31
Other payables	**(242)**	**(103)**	**-**	(223)	(307)	(27)
Current tax liabilities	**(190)**	**-**	**-**	(105)	-	-
	(389)	**9 343**	**76**	(238)	4 537	47

19. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

Sensitivity analysis

A 10% strengthening of the US$ against the currencies disclosed in the previous table at 30 September 2024 and 30 September 2023, would have increased/(decreased) equity and profit or loss by the amounts disclosed in the following table. This analysis assumes that all other variables, in particular interest rates, remain constant. For a 10% weakening of the US$ against the relevant currency, there would be an equal and opposite impact on the profit or loss and equity.

	Profit or loss and equity	
	2024	2023
	US$'000	US$'000
ZAR	**(849)**	(412)
€	**67**	51
GBP	**(7)**	(4)
	(789)	(365)

Fair values

The Board of Directors considered that the fair values of significant financial assets and liabilities approximate to their carrying amounts at the reporting date.

Fair value hierarchy

The carrying value of the Company's financial instruments at fair value through profit or loss at the end of the reporting period across the three levels of the fair value hierarchy defined in IFRS 13, *Fair Value Measurement,* is represented by the carrying amounts of the financial assets. The fair value is categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instrument	Fair value level	Fair value 2024 US$'000	Fair value 2023 US$'000	Valuation technique and key inputs
Financial assets measured at fair value				
Investments in equity instruments - Shares in Bank of Cyprus Public Co Limited	Level 1	**80**	48	Quoted market price for the same instrument
Preference share investment – Arxo Finance plc	Level 3	**18 237**	16 641	Discounted cash flow model based on quoted market interest rates

There have been no transfers between fair value hierarchy levels in the current year. The movement in the fair value of the Arxo Finance plc preference share investment consists of the notional unwinding of finance income of US$1.5 million (note 20) and the fair value adjustment of US$0.1 million. The three-month SOFR was used to determine the fair value of the preference share investment in Arxo Finance plc. An increase of 100 basis points in the three-month SOFR at the reporting date would have increased equity and profit or loss by approximately US$2 thousand (2023: US$31 thousand).

Fair value gains and losses recognised in the financial instruments during the year:

Changes in fair value of financial assets at fair value through profit or loss	2024 US$'000	2023 US$'000
Investments in equity instruments - Shares in Bank of Cyprus Public Co Limited	**32**	29
Preference share investment – Arxo Finance plc	**141**	(1 447)
	173	(1 418)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2024

20. RELATED PARTY TRANSACTIONS

Related party transactions exist between shareholders, subsidiaries of the Company, joint ventures and its directors.

Revenue	**2024 US$'000**	2023 US$'000
Dividend income (note 5)		
Arxo Resources Limited	**16 000**	25 000
Interest revenue – preference share dividends (note 5)		
Tharisa Minerals Proprietary Limited	**11 292**	13 987
Interest revenue – notional unwinding of finance income on preference shares (note 5)		
Arxo Finance plc	**1 454**	2 262
	28 746	41 249
Administration fees (note 7)		
Tharisa Administration Services Limited	**221**	258
Tharisa Minerals Proprietary Limited	**40**	63
Braeston Proprietary Limited	**3 547**	2 645
Karo Mining Holdings plc	**5**	-
	3 813	2 966
Non-current share-based payment receivables (note 11)		
Arxo Logistics Proprietary Limited	**88**	84
Arxo Metals Proprietary Limited	**82**	81
Arxo Resources Limited	**289**	263
Braeston Proprietary Limited	**2 963**	2 619
Dinami Limited	**71**	69
MetQ Proprietary Limited	**9**	-
Tharisa Administration Services Limited	**284**	159
Tharisa Minerals Proprietary Limited	**586**	567
Tharisa Fujian Industrial Co., Limited	**36**	33
Redox One Limited	**45**	-
	4 453	3 875
Current share-based payment receivables (note 11)		
Arxo Logistics Proprietary Limited	**116**	-
Arxo Metals Proprietary Limited	**85**	11
Arxo Resources Limited	**360**	6
Braeston Proprietary Limited	**3 538**	419
Dinami Limited	**91**	9
Tharisa Minerals Proprietary Limited	**525**	43
Tharisa Administration Services Limited	**177**	-
Ubhova Security Proprietary Limited	**-**	7
	4 892	495

20. RELATED PARTY TRANSACTIONS (continued)

	2024 US$'000	2023 US$'000
Other receivables from related parties (note 12)		
Arxo Exploration (Cyprus) Limited	**-**	125
Arxo Finance plc	**2**	-
Arxo Resources Limited	**47**	40
Karo Mining Holdings plc	**46**	28
Karo Zimbabwe Holdings (Private) Limited	**5**	5
MetQ Proprietary Limited	**-**	150
Redox One Limited	**-**	172
Tharisa Administration Services Limited	**-**	700
	100	1 220

Receivables from related parties are unsecured, interest free and with no fixed repayment dates. The Company has issued financial support commitments to Tharisa Investments Limited, Tharisa Fujian Industrial Co., Limited, Salene Chrome Zimbabwe (Private) Limited and Skyler Storm (Private) Limited.

Share-based payment receivables represent receivables from related parties and include a non-current and current share-based payment asset totalling US$9.3 million (2023: US$4.4 million) for the reimbursement for the settlement of the portion of the LTIP and SARS awards on behalf of subsidiary companies.

	2024 US$'000	2023 US$'000
Accrued interest revenue – preference share dividends receivable (note 12)		
Tharisa Minerals Proprietary Limited	**4 218**	3 324
Payables to related parties (note 16)		
Braeston Proprietary Limited	**1 272**	186
Tharisa Minerals Proprietary Limited	**1**	4
Tharisa Administration Services Limited	**41**	-
Tharisa Investments Limited	**65**	-
Redox One Limited	**113**	-
Arxo Prospecting (Cyprus) Limited	**60**	-
Arxo Exploration (Cyprus) Limited	**81**	-
Karo Platinum (Private) Limited	**29**	29
	1 662	219
Amounts due to Directors and former Directors		
A Djakouris	**-**	12
J Salter	**22**	22
O Kamal	**12**	12
C Bell	**22**	22
R Davey	**19**	19
Z Hong	**-**	9
G Zvaravanhu	**17**	-
C Hao	**9**	-
S Lo Wai Man	**9**	9
	110	105
	1 772	324

Guarantees and financial support commitments to related parties

The Company issued a guarantee limited to US$10.0 million (2023: US$10.0 million) as a security for trade finance facilities provided by a bank to Arxo Resources Limited.

The Company issued financial guarantee contracts to related party creditors of Salene Chrome Zimbabwe (Private) Limited and Skyler Storm (Private) Limited. The total maximum exposure to related party creditors is US$8.1 million (2023: US$9.0 million) and US$1.3 million (2023: US$1.0 million) for Salene Chrome Zimbabwe (Private) Limited and Skyler Storm (Private) Limited respectively (refer to note 19).

The Company issued a guarantee limited to US$17.4 million (ZAR300.0 million) (2023: US$15.9 million (ZAR300.0 million)) to Absa Bank Limited in respect of the Commercial Asset Finance and overdraft facilities of Tharisa Minerals Proprietary Limited.

20. RELATED PARTY TRANSACTIONS (continued)

Guarantees and financial support commitments to related parties (continued)
Karo Mining Holdings plc, a subsidiary of the Company, issued fixed income notes with a tenor of three years on 16 December 2022 listed on the Victoria Falls Stock Exchange to the value of US$26.8 million to external subscribers and US$10.0 million to Arxo Finance plc. The Company guarantees the capital repayment and interest of subscribers.

The Company issued a guarantee to Absa Bank Limited which guarantees payment of certain liabilities of Arxo Logistics Proprietary Limited to Transnet amounting to US$1.1 million (ZAR19.4 million) (2023: US$1.0 million (ZAR19.4 million)).

The Company has issued financial support commitments to its subsidiaries, Tharisa Investments Limited and Tharisa Fujian Industrial Co. Ltd, confirming that it will continue to provide funding to the companies in order to enable the entities to continue as going concerns and meet all their liabilities as they fall due.

Tharisa Minerals Proprietary Limited entered into an equipment loan facility of US$35.0 million (2023: US$35.0 million) with Caterpillar Financial Services Corporation. The equipment loan facility is secured by a first notarial bond over the equipment and is guaranteed by the Company.

The Company guarantees a total of US$8.1 million (ZAR153 million) (2023: US$8.1 million (ZAR153 million)) to third party suppliers of Tharisa Minerals Proprietary Limited.

The Company and Arxo Metals Proprietary Limited jointly indemnify a third party for any claims which may result from negligence or breach in terms of the plant operating agreement between Arxo Metals Proprietary Limited and the third-party. This contract expired on 29 September 2024.

Relationship between related parties and entities
J Salter, O Kamal, C Bell, R Davey, S Lo Wai Man, C Hao and G Zvaravanhu are directors of the Company while A Djakouris and Z Hong are former directors of the Company.

Refer to note 10 for details of the Company's subsidiaries.

21. CONTINGENT LIABILITIES

As at 30 September 2024, there is no litigation (2023: no litigation), current or pending, which is considered likely to have a material adverse effect on the Company. The Company had no other contingent liabilities at 30 September 2024 (2023: no contingent liabilities).

22. EVENTS AFTER THE REPORTING PERIOD

Accounting policy
Assets and liabilities are adjusted for events that occurred during the period from the reporting date to the date of approval of the financial statements by the Board of Directors, when these events provide additional information for the valuation of amounts relating to events existing at the reporting date or imply that the going concern concept in relation to part or whole of the Company is not appropriate.

On 27 November 2024, the Board has proposed a final dividend of US 3 cents per share, subject to the necessary shareholder approval at the Annual General Meeting.

The Board of Directors are not aware of any other matter or circumstance arising since the end of the financial year that will impact these financial results.

23. DIVIDENDS

Accounting policy
Dividends are recognized as a liability in the period they are declared according to International Accounting Standard 10.

During the year ended 30 September 2024, the Company declared and paid a final dividend of US 2.0 cents per share in respect of the financial year ended 30 September 2023. In addition, an interim dividend of US 1.5 cents per share was declared and paid in respect of the financial year ended 30 September 2024.

During the period ended 30 September 2023, the Company declared and paid a final dividend of US 4.0 cents per share in respect of the financial year ended 30 September 2022. In addition, an interim dividend of US 3.0 cents per share was declared and paid in respect of the financial year ended 30 September 2023.

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CORPORATE GOVERNANCE REPORT

BOARD OF DIRECTORS

Executive directors
Loucas Pouroulis (86)
Chairman
Appointed: 27 October 2010
Mining and Metallurgical Engineering (Hons) (National Technical University, Athens, Greece)
Climate Change & Sustainability Committee
Risk Committee
New Business Committee

Phoevos Pouroulis (50)
Chief Executive Officer (CEO)
Appointed: 27 October 2010
Bachelor of Science and Business Administration (Boston University, USA)
Climate Change and Sustainability Committee
Nomination Committee
Risk Committee
Social & Ethics Committee
New Business Committee
Audit Committee (By invitation)
Remuneration Committee (By invitation)
Safety, Health, Environment and Community Committee (By invitation)

Michael Jones (62)
Chief Finance Officer (CFO)
Appointed: 30 January 2013 Bachelor of Accounting (University of KwaZulu-Natal, Pietermaritzburg, South Africa); CA (SA); Member of the South African Institute of Chartered Accountants
Climate Change and Sustainability Committee
Risk Committee
Audit Committee (By invitation)
Remuneration Committee (By invitation)
New Business Committee (By invitation)

Non-executive directors
Shelley Wai Man Lo (49)
Non-executive director
Appointed: 10 February 2021
Bachelor of Economics (University of Hong Kong)
Climate Change and Sustainability Committee
Risk Committee

Hao Chen (41)
Non-executive director
Appointed: 1 October 2023
Bachelor Micro-electronics
(Fudan University, Shanghai, China)
Climate Change and Sustainability Committee
Risk Committee

Independent non-executive directors

Carol Bell (66)

Lead Independent director from 1 October 2021

Appointed: 22 March 2016

Master of Arts in Natural Sciences (University of Cambridge); PhD Archaeology (University College, London)

- Audit Committee
- Climate Change and Sustainability Committee (Chairman)
- Nomination Committee (Chairman)
- Remuneration Committee (Chairman)
- Risk Committee
- Safety, Health, Environment and Community Committee
- Social & Ethics Committee
- New Business Committee

David Salter (66)

Independent non-executive director

Appointed: 27 October 2010

Bachelor of Science Engineering (Hons); PhD in Mineral Technology (Imperial College, London); Fellow of the South African Institute of Mining and Metallurgy (FSAIMM)

- Audit Committee
- Climate Change and Sustainability Committee
- Nomination Committee
- Remuneration Committee
- Risk Committee (Chairman)
- Safety, Health, Environment and Community Committee (Chairman)
- Social & Ethics Committee (Chairman)
- New Business Committee

Omar Kamal (52)

Independent non-executive director

Appointed: 11 June 2014

Bachelor in Economics and Political Science (University of Jordan); PhD in Management (Finance and Banking) (Coventry University in collaboration with Harvard Islamic Finance Programme at Harvard University)

- Audit Committee
- Climate Change and Sustainability Committee
- Risk Committee
- Social & Ethics Committee

Roger Davey (79)

Independent non-executive director

Appointed: 1 June 2017

Master of Science in Mineral Production Management (Royal School of Mines, Imperial College, London); Master of Science in Water Resource Management and Water Environment (Bournemouth University); Associate of the Camborne School of Mines ('ACSM'); Chartered Engineer; European Engineer; Member of the Institute of Materials, Minerals and Mining ('IMMM').

- Climate Change and Sustainability Committee
- Remuneration Committee
- Risk Committee
- Safety, Health, Environment and Community Committee
- New Business Committee

Gloria Zvaravanhu (45)
Appointed: 21 February 2024
Bachelor of Accounting (B. Acc) (Rhodes University, South Africa); Master's in Business Leadership (MBL) (Unisa Graduate School); Master's Degree in Law (LLM) from the University of Cumbria, United Kingdom.

Audit Committee (Chairman)
Climate Change and Sustainability Committee
Remuneration Committee
Risk Committee
Social & Ethics Committee

Executive directors
Loucas Pouroulis (88)
Chairman
Appointed: 27 October 2010
Mining and Metallurgical Engineering (Hons) (National Technical University, Athens, Greece)

Loucas Pouroulis is the Executive Chairman of the Group, with the responsibility of developing strategy and identifying new opportunities for the Group. He began his career in Cyprus in 1962, and his initial postgraduate training took place in Germany, Sweden and Cyprus. Loucas is trained as a mining and metallurgical engineer and has more than 60 years' experience in mining exploration, project management, financing and production in open pit and underground mining operations, including PGM and gold mines. He immigrated to South Africa in 1964 and then joined Anglo American, where he rose rapidly through the management ranks and received extensive training and experience. In 1971, Loucas began to pursue his own mining interests, initially focusing on gold mining opportunities that were considered uneconomical by the majors. By the 1990s, he had established Petra Diamonds and, since 2000, has established Eland Platinum, Tharisa, Kameni, Keaton Energy, Salene Chrome and the Karo Mining Group.

Phoevos Pouroulis (50)
Chief Executive Officer (CEO)
Appointed: 27 October 2010
Bachelor of Science and Business Administration (Boston University, USA)

Phoevos Pouroulis is the Chief Executive Officer of the Group, with responsibility for overall strategy and management. Phoevos has held various senior managerial and operational positions in his career spanning more than 20 years. He has extensive experience in project management, mining design, commissioning and mining operations, including coal, chrome and PGM mines, having been involved in South Africa's mining industry since 2003. He has served as Commercial Director for Chromex Mining and was a founding member of Keaton Energy. Phoevos currently serves on the board of the World Platinum Investment Council.

Michael Jones (62)
Chief Finance Officer (CFO)
Appointed: 30 January 2013
Bachelor of Accounting (University of KwaZulu-Natal, Pietermaritzburg, South Africa); CA (SA); Member of the South African Institute of Chartered Accountants

Michael Jones is the Chief Finance Officer of the Group and responsible for the overall financial operation, funding and financial reporting management of the Group. Michael has more than 13 years' executive financial management experience in the mining sector. In addition, he has over 20 years' experience in investment banking, focusing on mergers and acquisitions and capital raising of both equity and debt.

Non-executive directors

Shelley Wai Man Lo (49)
Non-executive director Appointed: 10 February 2021
Bachelor of Economics (University of Hong Kong)

Shelley Wai Man Lo, a Chinese national and representative of Rance Holdings, has more than 20 years' experience in accounting, project investment and management in the infrastructure business in Hong Kong and mainland China. She is the General Manager of Roads of NWS Holdings Limited. Before joining the NWS group, she worked in the audit department of Deloitte, Hong Kong. Shelley is a member of both the Hong Kong and American Institutes of Certified Public Accountants.

Hao Chen (41)
Non-executive director
Appointed: 1 October 2023
Bachelor (Micro-electronics) (Fudan University, Shanghai, China)

Hao Chen holds a bachelor's degree in Micro-electronics from Fudan University, Shanghai, China. He has more than 18 years' experience as an Engineer, Foreign Trade Manager and General Manager. He has been the General Manager at Fujian Liju Logistics Company in China since September 2014. Prior to this position, he had been a Foreign Trade Manager at Guangxi Shenglong Metallurgy Co. Ltd., China between December 2013 and August 2014, and an Engineer at APEX Information Services in the USA from August 2012 to November 2013. He had also held the position of Engineer at Calvin Wireless, New York, USA between February 2012 and July 2012. Between August 2006 and January 2012, he held two Research Assistant positions, the first at the University of Virginia, USA (August 2006 to December 2009) and at the Tandon School of Engineering, at the University of New York, USA (January 2010 to January 2012). Following his graduation in July 2005, he had worked as Experimental Technician at the Shanghai Institute of Microsystem and Information Technology at the Chinese Academy of Sciences until July 2006.

Independent non-executive directors
Carol Bell (66)
Lead independent director from 1 October 2021
Appointed: 22 March 2016
Master of Arts in Natural Sciences (University of Cambridge); PhD Archaeology (University College, London)

Carol Bell has more than 40 years' experience in the energy and allied industries, including a successful career as a Managing Director of Chase Manhattan Bank's Global Oil & Gas Group, Head of European Equity Research at JP Morgan and several years as an equity research analyst in the oil and gas sector at Credit Suisse First Boston and UBS Phillips & Drew. Carol began her career in corporate planning and business development at Charterhouse Petroleum and RTZ Oil and Gas. She has broad public company experience, currently serves on the Bonheur board in Norway. She is the first woman to join the board and The Football Association of Wales, a founder-directors of Chapter Zero (a network for non-executive directors to engage with climate risk) and the Senior Independent Director of the National Physical Laboratory.

David Salter (66)
Independent non-executive director
Appointed: 27 October 2010
Bachelor of Science Engineering (Hons); PhD in Mineral Technology (Imperial College, London); Fellow of the South African Institute of Mining and Metallurgy (FSAIMM)

David Salter has more than 30 years' experience in developing and managing mining companies, including open pit and underground PGM mining operations. David's most recent public company roles were Chairman of Keaton Energy until its sale to Wescoal in 2017 and Managing Director of Eland Platinum until its sale to Xstrata in 2007. He serves on the board of Sirius Finance (Cyprus) Limited and is a non-executive director of a number of unlisted companies in the mining, property and agricultural sectors.

Omar Kamal (52)
Independent non-executive director
Appointed: 11 June 2014
Bachelor in Economics and Political Science (University of Jordan); PhD in Management (Finance and Banking) (Coventry University in collaboration with Harvard Islamic Finance Programme at Harvard University)

Omar Kamal has more than 28 years' international experience in banking, investment management, strategic advisory services and high-growth entrepreneurship. He has served at high-growth companies and multibillion-dollar corporates in various executive capacities. Until August 2015, he was the co-Group CEO of a business group owned by a prominent family with global reach based in Geneva, Switzerland. Prior to that, he was one of the initial founders and acted as the CIO of a regional bank in the Middle East and, before that, was a partner with Ernst & Young on the advisory and consulting side. Omar continues to serve on the boards of a number of listed and unlisted companies, among others, Cambridge Scientific Innovation, Cybsafe, Crowdemotion, Quiqup and Arab Bank Switzerland as Chairman of the Fintech Committee. In the same context, Omar makes a personal strategic contribution toward digital innovation and transformation. Omar is a member of the Young President Organisation (YPO) and a Learning Chair of the London Stars Chapter in the UK.

Roger Davey (79)
Independent non-executive director
Appointed: 1 June 2017
Master of Science in Mineral Production Management (Royal School of Mines, Imperial College, London); Master of Science in Water Resource Management and Water Environment (Bournemouth University); Associate of the Camborne School of Mines ('ACSM'); Chartered Engineer; European Engineer; Member of the Institute of Materials, Minerals and Mining ('IMMM').

Roger Davey, a British national, has more than 40 years' operational experience at a senior management and director level in the mining industry in South America, Africa and Europe. His experience at senior management level includes financing, feasibility studies, construction, development, commissioning and operational management of both underground and surface mining operations in gold and base metals. Previous positions include being the Senior Mining Engineer at NM Rothschild (London) (1998 to 2010) in the Mining and Metals project finance team, where he was responsible for the assessment of the technical risk associated with current and prospective project loans, Director, Vice-President and General Manager of Minorco (AngloGold) subsidiaries in Argentina (1994 to 1997), where he was responsible for the development of the Cerro Vanguardia open pit gold-silver mine in Patagonia, Operations Director of Greenwich Resources plc, London (1984 to 1992), with gold interests in Sudan, Egypt and Australia, Production Manager for Blue Circle Industries in Chile (1979 to 1984) and various production roles from graduate trainee to mine manager, in Gold Fields of South Africa (1971 to 1978). Roger serves on several boards, including Atalaya Mining Plc, Central Asia Metals plc and Highfield Resources Limited.

Gloria Zvaravanhu (45)
Appointed: 21 February 2024
Bachelor of Accounting (B. Acc) (Rhodes University, South Africa); Master's in Business Leadership (MBL) (Unisa Graduate School); Master's Degree in Law (LLM) from the University of Cumbria, United Kingdom.
Member of both the Zimbabwean and South African Institutes of Chartered Accountants.

Gloria Zvaravanhu has over 22 years' experience and is currently the Managing Director of a leading short-term insurance company in Zimbabwe. She has previously served as the CEO of the Institute of Chartered Accountants of Zimbabwe. She also actively serves the accounting profession as an advisory group member of the International Federation of Accountants (IFAC). Her current non-executive directorships include Securico Security Services Limited (Board Chairman) and Karo Mining Holdings plc, a Tharisa Group company (non-executive director and Chairman of the Audit Committee).

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

Introduction

Tharisa is incorporated in Cyprus and is subject to Cyprus Companies Law. With a primary listing on the JSE under the general mining sector, Tharisa is subject to the JSE Listings Requirements and the requirements of the South African Code of Corporate Practices and Conduct laid out in King IV. Tharisa is also listed on the London Stock Exchange (LSE) (Depository Interests) and is subject to the LSE Listing Rules and Disclosure and Transparency Rules applicable to an Equity Shares (Transition) Category ('ESTC') listing. In addition, Tharisa is listed on the A2X Exchange in South Africa with effect from 6 February 2019. Tharisa's primary listing on the JSE and ESTC listing on the main board of the LSE remains unaffected by the secondary listing on A2X. The A2X is a licensed stock exchange authorised to provide a secondary listing venue for companies and is regulated by the South African Financial Sector Conduct Authority in terms of the Financial Markets Act 19 of 2012. The listing on A2X provides an opportunity to improve liquidity and attract new investors through the lower trading costs offered by this trading platform. There are no additional regulatory requirements or ongoing obligations to comply with.

The Company has its registered office in Cyprus and is subject to Cyprus disclosure and transparency legislation, Cyprus market abuse legislation, and the European Commission Market Abuse Regulation EU596/2014, and for such purposes considers Cyprus as its home state, where such term requires interpretation. The LSE Listing Rules invoke the application of certain provisions of the UK Disclosure and Transparency Rules where similar provisions do not exist under the national law of its home state. The Company considers that the requirements under the UK Disclosure and Transparency Rules are met under corresponding national law, but nonetheless the Company aims to apply the relevant UK Disclosure and Transparency Rules applicable to the Company in circumstances where there may be a deemed discrepancy. For the purposes of the present corporate governance report, a reference to Disclosure and Transparency Rules shall be a joint reference to applicable UK and Cyprus transparency rules. While the UK Corporate Governance Code published by the Financial Reporting Council does not apply to the Company, the Board recognises the importance of good governance and considers the principles and recommendations contained therein.

The Board is fully committed to accountability, integrity, fairness, transparency and integrated thinking, which are essential to the Group's long-term sustainability and its ongoing ability to create value for investors and other stakeholders. It endorses and accepts full responsibility for applying the principles necessary to ensure that effective corporate governance is practised consistently throughout the Group.

In discharging this responsibility, the Board strives to comply with the requirements set out in King IV. The Company's disclosure on its application of King IV principles is set out in the Annual Report which will be published on the website (www.tharisa.com) before the end of December 2024.

The Board believes that the Company complies with the Cyprus Companies Law and the Company's Articles of Association.

In terms of King IV, independent non-executive directors serving for more than nine years are subject to a rigorous annual review by the Board to evaluate their continued independence. Having served for more than nine years, David Salter and Omar Kamal's independence was considered and assessed by the Board during the year under review. In doing so, the Board considered and assessed the presence or absence of any interest, position, association, or relationship that could potentially influence or cause bias in their decision-making process and concluded that it was satisfied that there were no such factors present that impaired David Salter and Omar Kamal's independence. Both David Salter and Omar Kamal continue to bring an independent and objective view and unfettered judgement distinct from that of shareholders and management, and continue to be classified as independent non-executive directors.

The Board also believes that the Company is compliant with the JSE Listings Requirements and King IV in all material respects, other than having an Executive Chairman, which has been mitigated by the appointment of the Lead Independent Director.

BOARD COMPOSITION

Executive directors

Loucas Pouroulis (Executive Chairman)
Phoevos Pouroulis (CEO)
Michael Jones (CFO)

Independent non-executive directors

Carol Bell (Lead Independent Director)
David Salter
Omar Kamal
Roger Davey
Gloria Zvaravanhu
Non-executive directors
Shelley Wai Man Lo
Hao Chen

The Company has a unitary board which leads and controls the Company. It comprises three executive directors and seven non-executive directors. Five of the seven non-executive directors are independent.

The Board is structured so that there is a clear balance of authority, ensuring that no one director has unfettered powers. The size of the Board is regulated by the Company's Articles of Association and directors are appointed through a formal process.

The Nomination Committee identifies suitable candidates for appointment as directors. Directors are required to be individuals of calibre and credibility with the necessary skills and experience to bring judgement, independent of management, on issues of strategy, performance, resources, diversity, standards of conduct, and evaluation of performance. Merit, commitment, integrity and diversity are the core considerations in ensuring that the Board and its committees have an appropriate blend and balance of perspectives, knowledge, and experience to discharge their duties effectively and competently, having regard to the strategic direction of the Group.

Gender, experience, age, tenure, independence and nationalities graphs as per the marked-up sheet sent on 16 Oct 2024.

Board diversity

The Nomination Committee reviews and assesses the Board's size, structure, and composition on an ongoing basis to ensure it is appropriately diversified. This assessment takes into consideration that the perspective of Board members is influenced by a combination of three different sets of attributes:

- experiential attributes such as skills, education, functional experience, industry experience and accomplishments
- demographic attributes such as gender, race, ethnicity, culture, religion, generational cohort and
- personal attributes such as personality, interests and values.

The Board recognises that having a blend of attributes across all facets of diversity will lead to more thorough and robust decision-making processes and direction and therefore strives to ensure its diverse composition.

Acknowledging the benefits that can be achieved through diversity, and specifically the meaningful participation of women who possess the appropriate skills and experience as members of the Board, the Board will continue to focus on the long-term goal of improving gender representation at Board level. At present, the three female directors represent 30% of the total number of directors and 43% of the non-executive directors.

Similarly, recognising the value of age and ethnic and cultural diversity at Board level, the Board encourages the inclusion and consideration of prospective candidates' backgrounds and a range of suitable skills based on merit and against objective criteria, and with due regard for the benefits of diversity on the Board.

CORPORATE GOVERNANCE REPORT

In compliance with King IV, the JSE Listings Requirements and international best practice, the Nomination Committee and Board have adopted a Board-level diversity policy, without introducing voluntary targets with regard to gender and racial diversification of the Board. The Nomination Committee and the Board are committed to maintaining a diverse Board of Directors with appropriate skills, without setting numerical targets. When undertaking searches for new Board members, diversity and inclusion are key considerations within these processes, alongside recruiting for skills and experience relevant to governing the Company effectively. The Board will also pursue opportunities to increase the number of female and racially and ethnically diverse Board members over time, provided that it is consistent with the skills and diversity requirements of the Board.

The Nomination Committee also considers the relationship between executive and non-executive directors during the assessment process. The Board believes there is an appropriate balance between executive and non-executive directors. The Board is satisfied that the current members of the Board collectively possess the skills, knowledge, and experience required to discharge the responsibilities of the Board effectively to achieve the Group's objectives, promote shareholder interests, and to create value for stakeholders over the long term.

Roles and responsibilities of the Board

The Board is the ultimate governing authority, responsible for the Company's strategy, key policies, ethics, and corporate governance, as well as approving the Company's financial objectives and targets, and its approach to environmental stewardship. The Board recognises that strategy, performance, risk, and sustainability are inseparable, and that the execution of strategy can have a material impact on the Company's value creation and its various stakeholders. The Board is fundamentally important to the achievement of the Company's mission and financial objectives, and the sustainable fulfilment of its corporate responsibilities. It provides effective leadership on an ethical foundation.

The Board is the ultimate custodian of the governance framework, which commits the Company and its representatives to act according to the highest standards of fairness, accountability, responsibility, transparency, ethics, and sustainability. The Company's approach to corporate governance strives to be stakeholder-inclusive and based on good communication. This approach has been integrated into every aspect of the Company's business.

The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by having regard not only for the financial aspects of the business of the Group but also the impact that the business operations have on the environment and the society in which it operates. In recognition of the importance of this aspect of the Group's business, the Board has established a Climate Change and Sustainability Committee.

The Board has adopted a Board Charter setting out the role, functions, obligations, rights, responsibilities and powers of the Board, and the policies and practices of the Board in respect of its duties, functions, and responsibilities. The Board has also adopted terms of reference for each of its committees. The Board Charter and terms of reference of all Board committees are available on the Company's website.

The directors who are also members of the Executive Committee of the Company are involved in the day-to-day business activities of the Company and are responsible for ensuring that the decisions of the Executive Committee, as approved by the Board, are implemented in accordance with the mandate given by the Board and Executive Committee.

The Board is satisfied that the approved delegation of authority framework contributes to role clarity and the effective exercise of responsibilities.

All non-executive directors have unrestricted access to the Chairman, management, the Group Company Secretary, the Assistant Company Secretary, and the external and internal auditors.

The Board considers and satisfies itself of the qualifications, experience, and arm's length relationship between the Company Secretaries and the Board on an annual basis.

Board meetings are held regularly, at least quarterly, and all directors participate in the critical areas of decision making.

Role of the Executive Chairman

There is a clear distinction between the roles of the Executive Chairman and the CEO. The Executive Chairman is responsible for ensuring the integrity and effectiveness of the Board and its committees, which include:

- providing overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions
- encouraging collegiality among Board members and management while at the same time maintaining an arm's length relationship
- mentoring to enhance directors' confidence, especially new or inexperienced directors, and encouraging them to contribute at meetings actively
- contributing to the Board's strategic vision by fostering an entrepreneurial mindset, identifying new opportunities and promoting creative problem solving
- applying entrepreneurial principles to optimise resources and growth.

The non-executive directors appraise the Chairman's performance on an annual basis, or such other basis as the Board may determine.

Role of the CEO

The Board's authority conferred on management is delegated through the CEO and the authority and accountability of management is accordingly considered to be the authority and accountability of the CEO.

The CEO provides executive leadership and is accountable to the Board for the implementation of strategies, objectives, and decisions within the framework of the delegated authorities, values, and policies of the Company, which include:

- recommending or appointing the executive members and ensuring proper succession planning and performance appraisals
- participating in the selection of Board members and overseeing a formal succession plan for the Board and certain senior management appointments
- developing the Company's strategy and vision for Board consideration and approval
- developing and recommending annual business plans and budgets that support the Company's long-term strategy to the Board
- monitoring and reporting to the Board on performance against and conforming with strategic imperatives
- ensuring that the Company has appropriate management structures and a management team to effectively carry out the Company's objectives, strategy, and business plans
- ensuring that the assets of the Company are properly maintained and safeguarded, and not unnecessarily placed at risk
- setting the tone from the top in providing ethical leadership and creating an ethical environment and not causing or permitting any decision or internal or external practice or activity by the Company that may be contrary to commonly accepted business practice, good corporate governance, or professional ethics
- acting as the chief spokesperson of the Company.

The non-executive directors monitor and evaluate the CEO in achieving the approved targets and objectives. The Remuneration Committee considers the results of such evaluation to guide it in its appraisal of the performance and remuneration of the CEO.

Role of the Lead Independent Director

The Lead Independent Director:

- chairs the Nomination Committee and is a member of all other Board committees
- presides over meetings of the Board and meetings of shareholders if required
- facilitates meetings of the non-executive directors
- acts as facilitator at Board meetings to ensure that no director, or group of directors, dominate the discussion, that sufficient debate takes place, that the opinions of all directors relevant to the subject under discussion are solicited and expressed freely, that conflicts of interests are managed and that Board discussions lead to appropriate decisions
- acts as a sounding board to the Executive Chairman and the CEO
- leads the non-executive directors in the appraisal of the Executive Chairman and CEO
- provides leadership and advice to the Board when the Executive Chairman has a conflict of interest, without detracting from the authority of the Executive Chairman and
- acts as an intermediary for the other Board members and shareholders about concerns that have not been resolved through the normal channels.

Role of the non-executive directors

The role of non-executive directors is to bring independent judgement and challenge executive directors constructively, without becoming involved in the day-to-day running of the business.

The key responsibilities of non-executive directors include oversight of the Board on issues relating to:

- strategic direction, by providing an objective, informed, and creative insight based on their own experience, to act as a constructive critic in assessing the strategic objectives devised by the CEO and to ensure that the necessary financial and human resources are in place for the Company to meet its objectives
- monitoring performance of executive management with regard to the progress made towards achieving the Company's strategy and objectives and, in doing so, playing an important role in key executive appointments, removals where necessary, and succession planning
- remuneration, through the work of the Remuneration Committee, by objectively and independently determining appropriate levels of remuneration of executive directors
- risk and strategic risk in particular, through the work of the Risk Committee, by reviewing the risk philosophy, strategy, and policies as recommended by executive management and ensuring compliance with such policies, and with the overall risk profile of the Company
- integrity of financial information, through the work of the Audit Committee, by ensuring that the Company accounts properly to its shareholders by presenting an accurate and fair reflection of its actions and financial performance and that the necessary internal control systems are implemented and monitored regularly
- standards of conduct of the Board and executive management.

Tharisa's non-executive directors bring diverse experience and expertise to the Board. They are required to have a clear understanding of the Group's strategy and must be sufficiently familiar with the Group's businesses to be effective contributors to the development of the Group's strategy and the identification and monitoring of risks faced by the Group. Non-executive directors must have sufficient time to perform their duties as directors and make a meaningful contribution. They should be prepared to challenge executive directors' opinions and provide fresh insight into the Group's strategic direction.

Non-executive directors assess the performance of the Executive Chairman and CEO and serve on various Board committees. Non-executive directors have a standing invitation to meet without the presence of the executive directors after every Board meeting or when required.

Board appointments

The Company's shareholders appoint members of the Board. The Board also has the power to appoint directors, subject to such appointments being approved by shareholders at the next AGM following such appointment. In compliance with the JSE Listings Requirements, shareholders may not consent in writing to the appointment of directors. Pursuant to the terms of the Board Charter, appointments to the Board are made on the recommendation of the Nomination Committee. A formal policy detailing the procedures for appointments to the Board has been adopted by the Company.

Non-executive directors are required to be individuals of calibre and credibility, be independent of management, and possess the necessary skills and expertise to bring judgement to bear on issues of strategy, performance, resources, diversity, standards of conduct, and evaluation of performance.

Directors are required to always conduct themselves in a professional manner, having due regard for their fiduciary duties and responsibilities to the Company and ensuring that sufficient time is made available to devote to their duties as Board members. Directors are further required to be diligent in discharging their duties to the Company, seek to acquire sufficient knowledge of the business of the Company, and endeavour to keep abreast of changes and trends in the business environment and markets in which the Company operates, in order to be able to provide meaningful direction to the Company's business activities and operations.

Director induction

Upon appointment, all new directors are provided with induction materials to familiarise them with the Group's operations, business environment and executive management and induct them in their fiduciary duties and responsibilities. The induction programme involves an information pack comprising, inter alia, the Group structure, a list of the top shareholders, Board packs and minutes of previous Board meetings, annual and interim reports, Articles of Association, the Board Charter, committee terms of reference, information on directors' and officers' insurance, a guide to the JSE Listings Requirements, and a memorandum on dealings in securities, market abuse and insider trading. Periodic site visits are arranged for existing and new non-executive directors to improve their understanding of the Group's operations.

Retirement by rotation and re-election of directors
In terms of the Company's Articles of Association, any directors appointed by the Board during the course of the financial year shall hold office only until the next AGM of the Company following their appointment and shall then retire and be eligible for election.

In accordance with the Company's Articles of Association, one-third of non-executive directors must retire from office at each AGM. Executive directors are not subject to retirement by rotation. The non-executive directors retiring at each AGM are those directors who have been the longest serving since their last election. Retiring directors are eligible for re-election and, if so re-elected, are deemed not to have vacated their office.

Gloria Zvaravanhu, having been appointed with effect 21 February 2024, will retire at the next AGM and will be eligible for election. David Salter and Carol Bell will be retiring by rotation at the upcoming AGM and has made themselves available for re-election. A brief curriculum vitae of each director standing for election or re-election appears at the front of this report.

Board support for election or re-election is not automatic. The Nomination Committee assesses the composition of the Board and the performance of individual Board members on an annual basis prior to recommending any directors for election or re-election by shareholders at the AGM. Upon recommendation by the Nomination Committee, the Board decides whether it will endorse a director standing for election or re-election. Having assessed the performance of the directors standing for election and re-election, it is the recommendation of the Board that Gloria Zvaravanhu be elected and that David Salter and Carol Bell be re-elected.

Board meetings
The Board meets formally at least four times per year and at such other times as may be required. The Board met five times during the year under review. In addition, two informal meetings and mid-cycle briefing calls were held during the period.

Key focus areas and decisions of the Board during FY2024
In addition to the standard agenda items such as feedback by the chairmen of the various Board committees on the key deliberations and activities of those committees, consideration of detailed reports on the operational and financial performance of the Group, climate change and sustainability, investor relations, and legal and governance matters, the Board deliberated on the following key areas during the year under review:

Q1 FY2024
- Approved the FY2023 annual financial results
- Approved the FY2023 Annual Report
- Proposed a final cash dividend of US 2.0 cents per ordinary share
- Considered and agreed to support the re-election of the directors retiring by rotation at the AGM
- Discussed the market context in which the Group operates
- Considered and discussed the top strategic risks facing the Group
- Considered the progress of the Karo Platinum Project and its funding requirements
- Considered the Company's production guidance for FY2024
- Considered and agreed to recommend the appointment of BDO Limited Cyprus as external auditors of the Group to shareholders

Q2 FY2024
- Held the Company's fourth virtual AGM
- Considered and discussed the various research and development projects being undertaken by the Group's research and development arm
- Considered the operating and market context within which the Group operates
- Considered and discussed the top strategic risks facing the Group
- Considered the status of the Karo Platinum Project and its funding requirements
- Considered and approved a US$5.0 million share repurchase programme

Q3 FY2024

- Considered the operating and market context within which the Group operates
- Considered the progress of the Karo Platinum Project and its funding requirements
- Considered the top strategic risks facing the Group
- Considered various challenges facing the Group, including the impact of internal South African issues related to the transport of goods, crime and South Africa's grey listing on the economy
- Considered and approved the Group's interim financial results for FY2024
- Declared an interim dividend of US 1.5 cents per share

Q4 FY2024

- Considered and agreed on the Nomination Committee's assessment of the independence of non-executive directors
- Performed the annual assessment of the independence of non-executive directors with a tenure longer than nine years
- Considered implementation of the Group's Vision 2025 strategy
- Considered the Company's production guidance for FY2025
- Interrogated and approved the FY2025 budget
- Considered the progress of the Karo Platinum Project and its funding requirements
- Considered the top strategic risks facing the Group

Key focus areas for FY2025

- Board succession planning
- Continue implementation of Vision 2025 strategy
- Continue development of the Karo Platinum Project
- Monitor continued optimisation of existing operations
- Continue striving to be the investment of choice

Board committees

Certain responsibilities are reserved for the Board, while others are delegated to Board committees, each with formal mandates and terms of reference, without reducing the individual and collective responsibilities of Board members' overall fiduciary duties and responsibilities. The terms of reference of each Board committee determines, inter alia, the composition, purpose, scope of mandate, and powers and duties of the committee.

Board committees provide feedback to the Board through reports by their respective chairmen and provide the Board with copies of minutes of committee meetings. All directors receive notice and packs for committee meetings and are invited and encouraged to join meetings of Board committees of which they are not members. Terms of reference of the various committees are compliant with the provisions of the Company's Articles of Association and the JSE Listings Requirements. The terms of reference are reviewed on a regular basis and are available on the Company's website. All committees have satisfied their responsibilities in compliance with their respective terms of reference during the year under review.

The Company's Board committees during the year were constituted as follows:

	Chairman	Members	By standing invitation
Audit Committee	Gloria Zvaravanhu	David Salter Carol Bell Omar Kamal	Chief Finance Officer Chief Executive Officer Group Head of Internal Audit
Climate Change and Sustainability Committee	Carol Bell	Loucas Pouroulis Phoevos Pouroulis Michael Jones David Salter Omar Kamal Roger Davey Gloria Zvaravanhu Shelley Wai Man Lo Hao Chen	Chief Operating Officer Chief Technical Officer Group ESG Manager
New Business Committee	Roger Davey	Loucas Pouroulis Phoevos Pouroulis Carol Bell David Salter	Chief Finance Officer Chief Operating Officer Chief Technical Officer
Nomination Committee	Carol Bell	Phoevos Pouroulis David Salter	
Remuneration Committee	Carol Bell	David Salter Roger Davey Gloria Zvaravanhu	Chief Executive Officer Chief Finance Officer
Risk Committee	David Salter	Loucas Pouroulis Phoevos Pouroulis Michael Jones Carol Bell Omar Kamal Roger Davey Gloria Zvaravanhu Shelley Wai Man Lo Hao Chen	Chief Operating Officer Chief Technical Officer Group Head of Internal Audit Group Head Legal Counsel
Safety, Health, Environment and Community Committee	David Salter	Carol Bell Roger Davey	Chief Executive Officer Chief Operating Officer Chief Technical Officer
Social and Ethics Committee	David Salter	Phoevos Pouroulis Carol Bell Omar Kamal Gloria Zvaravanhu	

Board composition

At 30 September 2024, the board composition was:

	Number of board members	Percentage of board	Number of senior positions on the board	Number in executive management	Percentage of executive management
Male	7	70.0%	3	12	92.3%
Female	3	30.0%	-	1	7.7%
	10	100.0%	3	13	100.0%
White British or other white	7	70.0%	3	11	86.6%
Asian	2	20.0%	-	-	-
Black	1	10.0%	-	2	15.4%
	10	100.0%	3	13	100.0%

Information extracted from the employee lists, Patterson grades F and above

Audit Committee

The Audit Committee, which must comprise at least three independent non-executive directors, is chaired by Gloria Zvaravanhu, an independent non-executive director. Other members of the committee are David Salter, Omar Kamal, and Carol Bell, all independent non-executive directors. The Board is satisfied that the committee's members have the appropriate mix of qualifications and experience to fulfil their responsibilities appropriately. The Group's independent external auditor, Group Head of Internal Audit, CFO, and CEO attend committee meetings by invitation. The committee meets with the external auditor and Group Head of Internal Audit, without any executive directors being present, whenever necessary.

Both the Group Head of Internal Audit and external auditors have unrestricted access to the chairman of the committee and the Lead Independent Director.

The Audit Committee provides the Board with additional assurance regarding the quality and reliability of financial information used by the Board and the financial statements of the Group. The committee reviews the internal and financial control systems, accounting systems, and reporting and internal audit functions. It liaises with the Group's external auditor and monitors compliance with legal requirements.

Furthermore, the Audit Committee assesses the performance of financial management, approves external audit fees and budgets, monitors non-audit services provided by the external auditor against an approved policy, and ensures that management addresses any identified internal control weakness. In addition, the committee oversees the integrated reporting process, risk management systems, information technology risks (as they relate to financial reporting), the Group's whistleblowing arrangements, and policies and procedures for preventing corrupt behaviour and detecting fraud and bribery.

In terms of the Audit Committee's oversight role in the integrated reporting process, it considers all factors and risks that may impact the integrity of the integrated report. In this regard, the committee considers and reviews the findings and recommendations of the Risk Committee, Safety, Health, Environment and Community Committee, and Climate Change and Sustainability Committees insofar as they are relevant to the functions of the Audit Committee. The committee also reviews and evaluates the disclosure of material sustainability issues in the integrated report, in conjunction with the Risk Committee, Safety, Health, Environment and Community Committee, and Climate Change and Sustainability Committee, with specific focus on ensuring that the disclosure is reliable and does not conflict with the financial information. It recommends and/or approves the engagement of external assurance providers on material sustainability issues and ensures that the appropriate measures of progress toward achieving disclosed climate change risk mitigation actions are included in the integrated report disclosures.

The Audit Committee considers and approves the terms of the external audit engagement, scope of the external audit and audit fees. It reviews audit findings and management's response thereto and monitors and encourages cooperation between the external auditor and the Group's internal audit function. It considers the nature and extent of the non-audit services that the external auditor may have provided. All non-audit services provided by the external auditor are preapproved on the basis that the provision of these services does not affect the independence of the external auditor. The committee also discusses with the external auditor their opinion of the level of ethical conduct of the Group, its executives and senior managers and holds separate meetings with management and the external auditor. In addition, the committee evaluates the independence, effectiveness, expertise and performance of the external auditor and it recommends the appointment of the external auditor at the Company's AGM.

The committee has unrestricted access to all Company and Group information and may seek information from any employee. The committee may also consult external professional advisers in executing its duties.

The chairman of the Audit Committee is required to report to the Board after each meeting of the committee and the minutes of meetings of the Audit Committee are provided to the Board.

The appropriateness of the expertise and experience of the CFO is considered on an annual basis and the committee is satisfied with the appropriateness of the expertise of Michael Jones, the CFO.

The Audit Committee meets as often as is deemed necessary but is required to meet at least twice a year. The committee met formally four times and had two informal update calls during the year under review.

Risk Committee
Control of the complete process of risk management, the evaluation of its effectiveness and approval of recommended risk management and internal control strategies, systems, and procedures are key Board responsibilities. For this reason, the Risk Committee comprises the entire Board. The Risk Committee is chaired by David Salter. Risk Committee meetings are attended by the Chief Operating Officer (‘COO’), Chief Technical Officer (’CTO’), Group Head of Internal Audit and Group Head Legal Counsel by invitation.

The Risk Committee oversees and assists the Board in risk management and reviewing risks facing the Group. This includes risks related to business technology security, cyber risk and climate-related risk.
The Risk Committee reviews management reports on the adequacy and effectiveness of the Group’s operational risk management functions, ensures compliance with the Group’s risk management policies, and reviews the adequacy of the Group’s insurance coverage.

During the year under review, in-depth risk reviews were undertaken at operating subsidiary and business unit level throughout the Tharisa Group. The committee conducted a high-level review of the residual risks identified by management during these reviews. It continues to monitor progress made by risk owners in identifying mitigating factors, performing gap analyses, and implementing additional mitigating measures where required. In addition, the committee identifies, reviews and evaluates non-operational and strategic risks impacting the Company and the Group on an ongoing basis. The Risk Committee meets as often as is deemed necessary and met twice during the year under review.

Nomination Committee
During the year under review, the Nomination Committee was chaired by Carol Bell in her capacity as the Lead Independent Director. Other members of the Nomination Committee were David Salter, an independent non-executive director, and Phoevos Pouroulis, the CEO. Phoevos Pouroulis is entitled to participate and contribute to the Nomination Committee, but is not entitled to vote on any matter before the Nomination Committee. In the event of a tied vote, the chairman of the committee has a casting vote.

The Nomination Committee ensures that the procedures for appointments to the Board are formal and transparent by making recommendations to the Board on all new Board appointments in accordance with the Company’s policy for Board appointments. It does so by evaluating the Board performance, undertaking performance appraisals of the executive and non-executive directors, evaluating the effectiveness of Board committees, and making recommendations to the Board. The Nomination Committee also considers and approves the Board succession plans.

The work of the Nomination Committee during the year followed both its terms of reference and established good practice in corporate governance. The committee conducted a review of the structure, size, and composition of the Board, with specific emphasis on skills, knowledge, independence, and diversity of the Board members. During the period under review, the committee considered the independence of non-executive directors. Consideration was given, among others, as to whether the individual non-executive directors are sufficiently independent of the Company to effectively carry out their responsibilities as directors, whether they are independent in judgement and character, and that there are no conflicts of interest in the form of contracts, relationships, shareholding, remuneration, employment, or related-party disclosures that could affect their independence.

The committee determined that David Salter, Omar Kamal, Carol Bell, Roger Davey and Gloria Zvaravanhu are independent. Shelley Wai Man Lo and Hao Chen are not considered independent due to their association with significant shareholders.

The Nomination Committee met formally twice during the year under review.

Remuneration Committee
All members of the Remuneration Committee are independent non-executive directors. During the year under review, the committee was chaired by Carol Bell, and the other committee members were David Salter, Roger Davey and Gloria Zvaravanhu. The CEO and CFO are invited to attend committee meetings to make presentations, except when their remuneration is under consideration.

The Remuneration Committee considers the remuneration framework of the Executive Chairman, CEO, CFO, and other members of the executive management of the Company and its subsidiaries, regarding local and international benchmarks. As far as the remuneration of the Executive Chairman and the CEO is concerned, the committee considers and if appropriate, recommends the remuneration of the Executive Chairman and the CEO to the Board for final approval.

The committee also considers bonuses, which are discretionary and based upon general economic variables, the performance of the Company and each individual's performance against personalised key performance indicators, allocations in terms of the Group's incentive schemes, and certain other employee benefits and schemes.

In terms of King IV recommendations and the JSE Listings Requirements, the Company's remuneration policy and the remuneration implementation report, must be tabled for two separate non-binding advisory votes at every AGM. The purpose of the non-binding advisory votes is to enable shareholders of the Company to express their views on the Group's remuneration policy and its implementation. At the AGM held on 21 February 2024, the resolutions to approve the remuneration policy and the remuneration implementation report were passed, with the resolution approving the remuneration policy receiving 97.89% of the votes and the resolution approving the remuneration implementation plan receiving 96.60% support. The Remuneration Committee and the Board thank shareholders for this strong level of support. At the forthcoming 2025 AGM, shareholders will again be asked to approve the remuneration policy and the remuneration implementation report by way of separate resolutions. It is the recommendation of the Remuneration Committee and the Board that the remuneration policy and the remuneration implementation report be approved. In the event that either the remuneration policy or the remuneration implementation report is voted against by 25% or more of the voting rights exercised by shareholders, the Board, through the Remuneration Committee, will seek to engage further with shareholders.

During the year, the committee reviewed various aspects of the Group's remuneration structure, including executive salaries, both short-term and long-term performance-based remuneration schemes and annual cost of living adjustments. Following its work around the methodology for setting appropriate salary levels for the executive team with Korn Ferry during the previous financial year, through benchmarking executive remuneration packages against an appropriate peer group and the median of a mining industry group developed by Korn Ferry, the committee is satisfied that it had developed a satisfactory method to ensure that the executive team was being fairly remunerated compared to the peer group.

The committee met formally twice during the year under review.

Safety, Health, Environment and Community Committee
All members of the committee are independent non-executive directors. The committee is chaired by David Salter and other members are Carol Bell and Roger Davey. The CEO, COO and CTO attend the meetings by invitation.

The Safety, Health, Environment and Community Committee develops and reviews the Group's framework, policies and guidelines on safety, health, and environmental management, monitors key indicators on accidents and incidents, and considers developments in relevant safety, health, and environmental practices and regulations.

The committee met four times during the year under review.

Social and Ethics Committee

As required by the JSE Listings Requirements, the Board established a Social and Ethics Committee. The committee is chaired by David Salter and other members are Carol Bell, Omar Kamal, Gloria Zvaravanhu and Phoevos Pouroulis.

The committee's objective is, inter alia, to assist the Board in ensuring that the Company and other entities in the Group remain committed, socially responsible corporate citizens by creating a sustainable business and regard for the Company's economic, social, and environmental impact on the communities in which it operates. This includes, among others, public safety, HIV/Aids, environmental management, corporate social investment, consumer relationships, labour and employment, the promotion of equality, and ethics management.

The committee has an independent role with accountability to both the Board and the Company's shareholders. The committee does not assume the functions of management of the Company. These functions remain the responsibility of the Company's executive directors, executive management, and senior managers.

It is the committee's responsibility to monitor the Group's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to, among others, the following:

(i) Social and economic development, focusing on the Company's standing in terms of the goals and purposes of the 10 United Nations Global Compact Principles, among others:
- upholding and respecting human rights
- upholding fair labour practices, which include the freedom of association, the right to collective bargaining, and the elimination of forced labour, child labour, and discrimination
- upholding the promotion of greater responsibility toward the environment
- upholding the prevention of bribery and corruption
- upholding the Organisation for Economic Co-operation and Development's recommendations regarding corruption
- upholding the Equator Principles and
- upholding the Employment Equity Act and the Broad-Based Black Economic Empowerment Act, applicable to South African subsidiaries.

(ii) Good corporate citizenship and the impact of the Group's activities and its products or services on the environment, health, and public safety, the Company's employment relationships, and its contribution toward the educational development of its employees. In order to ensure that Tharisa is and is seen to be a responsible corporate citizen, the committee oversees and monitors, on an ongoing basis, the consequences of the Group's activities and outputs on:
- the workplace, by ensuring employment equity, fair remuneration, safety, health, dignity, and development of employees and the Group's standing in relation to the International Labour Organisation Protocol on decent work and working conditions
- the economy, by working toward economic transformation
- the prevention, detection, and response to fraud and corruption
- society, by upholding public health and safety, consumer protection, community development, and protection of human rights and
- the environment, by ensuring pollution prevention, minimising waste disposal, and protecting biodiversity.

(iii) Ethical leadership and ethical behaviour, by reviewing the Company's Code of Ethics and making recommendations to the Board for approval reviewing results of whistleblowing activities reviewing significant cases of employee conflicts of interest, misconduct, fraud, or any other unethical activity by employees or the Company and ensuring that the Company's ethics performance is assessed, monitored, reported and disclosed.

New Business Committee

The New Business Committee was to investigate and assess new projects and business opportunities, particularly from a strategic, technical and operational point of view, and to identify project, safety, health, environment and community related risks. The committee was not authorised to approve individual projects or investments or to commit the Company but worked with executive management to review and evaluate new business opportunities and initiatives. It then made recommendations to the Board for approval. The committee had the right of access to management and/or external consultants, and the right to seek additional information or explanations.

The committee was chaired by Roger Davey and other members were David Salter, Carol Bell, Loucas Pouroulis and Phoevos Pouroulis. The CFO, COO, and CTO attended meetings as invitees. All members of the Board who were not committee members had a standing invitation to attend meetings.

During the year under review, a decision was taken to dissolve the New Business Committee and to table new business opportunities directly to the Board to avoid repetition, optimise organisational processes, streamline decision making and enhance efficiency, without compromising the oversight of new initiatives.

The committee met formally once during the year under review.

Climate Change and Sustainability Committee

The Board established the Climate Change and Sustainability Committee to delegate the responsibility for overseeing the climate change and sustainability strategy, policies, and functions of the Group. It assists the Board with overseeing climate performance and reviews the performance of the Group in relation to climate-related decisions and actions. This committee functions alongside the Safety, Health, Environment and Community and the Social and Ethics Committees. Given the significance of the subject matter, not only for the business, but also for all stakeholders and the planet, the committee comprises, for the time being, all members of the Board and is chaired by Carol Bell. The committee meetings are attended by the COO, CTO and the Group ESG Manager by invitation.

The committee's purpose is to provide stewardship and enhance the Group's and, in particular, Tharisa Minerals' efforts in fighting climate change, driving sustainability and maintaining the social licence to operate within communities. Furthermore, the committee supports management in ensuring that the Company addresses climate change and sustainability issues through the development and implementation of a climate change and sustainability policy and sustainability framework. The committee also provides oversight on the Company's sustainability strategy and reporting and all matters under the theme of climate change and sustainability.

In the near term, the focus of this committee is oversight of the implementation of the Company's carbon action plan to become net carbon neutral by 2050. It will also guide the Group toward its goal of creating a circular economy while producing critical metals for the decarbonisation of global economies.

The committee has access to sufficient resources to carry out its duties, including the authority to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference and to invite those persons to attend meetings of the committee.

Meetings are held as often as necessary, but at least twice a year. The committee held four meetings during the year under review.

CORPORATE GOVERNANCE REPORT

Attendance at meetings

Attendance at Board and committee meetings during the year under review is set out below:

Director	Board	Audit Committee	Climate Change and Sustainability Committee	New Business Committee	Nomination Committee	Remuneration Committee	Risk Committee	SHEC Committee	Social & Ethics Committee
Number of meetings held	**5**	**4**	**4**	**1**	**2**	**1**	**2**	**4**	**1**
Loucas Pouroulis	5	–	3	≈0	–	-	2	–	-
Phoevos Pouroulis	5	#4	4	≈0	2	#1	2	#4	1
Michael Jones	5	#4	4	#1	-	#1	2	#3	-
David Salter	5	4	4	1	2	1	2	4	1
Antonios Djakouris[1]	1	1	1	#1	1	1	-	1	-
Omar Kamal	5	4	4	#1	–	-	2	#3	1
Carol Bell	4	4	4	1	2	1	2	4	1
Roger Davey	5	#2	4	1	-	1	2	4	#1
Shelley Wai Man Lo	4	#3	4	#1	–	-	2	#3	-
Hao Chen	4	-	3	-	-	-	1	-	-
Gloria Zvaravanhu[2]	5	3	3	-	-	-	2	#3	1

[1] Retired 21 February 2024
[2] Appointed 21 February 2024
By invitation
≈Recused

Group Company Secretary

The role of the Group Company Secretary is, inter alia, to provide guidance and advice to the Board with respect to matters relating to the JSE Listings Requirements, the LSE Listings Rules, Disclosure Guidance and Transparency Rules, Cyprus Companies Law, King IV, market abuse laws and regulations, and other corporate governance-related matters. In addition to her statutory duties, the Group Company Secretary provides individual directors, the Board as a whole, and the various committees with guidance as to how their responsibilities should be discharged in the best interests of the Group.

Sanet Findlay is a full-time employee within the Group and is based in South Africa. She holds Bachelor of Science and Bachelor of Law degrees, a CIS professional postgraduate qualification: Company Secretarial and Governance Practice and is a Fellow of the Chartered Governance Institute of Southern Africa (formerly Chartered Secretaries Southern Africa) since 2023, having been an associate member since 2003. She has experience as a Group Company Secretary of JSE and LSE-listed companies since 2009. She is not a director of Tharisa or any of its subsidiaries and maintains an arm's length relationship with the Board.

Lysandros Lysandrides acts as the Assistant Company Secretary and holds a Bachelor of Law and a postgraduate diploma in Legal Practice (UK). He is an associate member of the Institute of Chartered Secretaries and Administrators (UK), a Fellow of the Chartered Institute of Legal Executives (UK), and a registered practising Cyprus attorney at law. He has experience as a company secretary and legal adviser to companies listed on the LSE and Cyprus Stock Exchange. Lysandros has been appointed as an external adviser to Tharisa and its Cyprus subsidiaries and maintains an arm's length relationship with the Board.

The Board formally assessed and considered the performance and qualifications of the Company Secretaries and is satisfied that the Company Secretaries are competent, suitably qualified, and experienced.

The appointment and removal of the Company Secretaries are matters reserved for the Board as a whole.

Board evaluation

The Nomination Committee, under the leadership of the Lead Independent Director, evaluates the performance of the Board, its committees, the Executive Chairman, CEO, CFO, the Company Secretary, and the performance and contribution of the individual non-executive directors. The Board committees conduct a self- evaluation against their respective terms of reference and each individual Board member is evaluated by fellow Board members using an evaluation questionnaire. The results of the evaluation process are considered by the Nomination Committee prior to their presentation to the Board. Results and any identified training requirements are discussed with individual directors if deemed necessary. An extensive evaluation was conducted in November 2023. There were no material findings and remedial action is being taken to address areas that can be improved. The Board is satisfied that the evaluation process assists in the improvement of performance and effectiveness of the Board.

Conflicts of interest

Disclosure of other directorships, personal financial interests and any other conflicts of interest, and those of related persons, in any matter before the Board is a standing Board agenda item and a register is kept of all such disclosures. Directors recuse themselves from discussion on any matter in which they may have a conflict of interest. Non-executive directors are required to inform the Board of any proposed new directorship and the Board reserves the right to review such additional appointments to ensure that no conflict of interest would arise and a director accepting a new appointment would be able to continue to fulfil his or her obligations as a member of the Board.

Share dealing and insider trading

All directors of the Company and its major subsidiaries, senior executives, the Company Secretaries, and employees and advisers who, by virtue of their positions, have access to financial and other price-sensitive information are regarded as insiders and are required to always obtain prior authorisation to deal in the Company's shares.

Directors of the Company and its major subsidiaries and Persons Discharging Managerial Responsibilities (PDMRs) are reminded of their obligation to inform all their associates, as defined by the JSE Listings Requirements, and investment managers of the fact that dealings by the directors and their associates in Tharisa shares have to be pre-approved and/or disclosed to the Company within the stipulated timeframe to facilitate the release of the required announcements in terms of the JSE Listings Requirements. A similar requirement exists under the UK Market Abuse Regime for PDMRs and persons closely associated with them. The Company's directors, executives and employees who are classified as insiders are not permitted to deal in the Company's shares during closed periods or when they are in possession of non-public information.

An appropriate communication is sent to all such directors, PDMRs and employees alerting them that the Company is entering a closed period. Closed periods are observed as required by the JSE Listings Requirements, including the period from the end of the interim and annual financial reporting periods to the announcement of the financial results for the respective periods, and during periods that the Company is under a cautionary announcement. The UK Market Abuse Regulation stipulates a closed period of 30 calendar days before the announcement of the interim and/or annual results. The Company applies the longer duration in any given financial reporting period.

Succession planning

The Board, assisted by the Nomination Committee, is responsible for overseeing succession planning and ensuring that appropriate strategies are in place to ensure the smooth continuation of roles and responsibilities of members of the Board and senior management.

Compliance

Compliance with financial reporting requirements and accounting standards falls within the ambit of the Audit Committee. The Group's statutory and regulatory compliance resides with the Legal, Risk and Compliance Officer and reports on compliance are presented to the Audit and Social and Ethics Committees. In addition to the formal authorisation processes required for dealings in the Company's shares, the Group has various policies and procedures in place governing the declaration of interests, the accepting and granting of gifts and an approved delegation of authorities matrix that governs the delegation of authority and value limits within the Group and ensures that all transactions are approved appropriately.

The Board is satisfied that the Company complied with the Cyprus Companies Law, its Articles of Association, and the requirements of the JSE Listings Requirements pursuant to the Company's primary listing on the JSE during the year under review. The Board also acknowledges the role and responsibilities of its JSE sponsor, Investec Bank Limited, and believes that the sponsor has discharged its responsibilities with due care during the period.

Information technology governance

The Board Charter commits the Board to assume ultimate responsibility for ensuring that effective information technology (IT) systems, internal control, auditing and compliance policies, and procedures and processes are implemented to avoid or mitigate key IT-related business risks. The Board has delegated responsibility for governing IT to the Audit Committee. An assurance on the IT systems and processes is provided by the Group's internal auditors, and/or other professional consultants if required, and findings are reported to the Audit Committee, which ensures that all material findings are addressed appropriately.

The Group Chief Information Officer is responsible for the Group's strategy and implementation of IT and information systems across all Group companies. All Audit Committee and Board meetings are attended by the Group Chief Information Officer by invitation.

Climate change governance

The Board is ultimately responsible for the strategic direction of the Group and monitoring that Tharisa and its subsidiaries are operating responsibly. Tharisa has evolved its approach to dealing with stakeholders, focusing on actively healing rather than merely avoiding harm. Both the risks and opportunities presented by climate change are debated actively by the Board when developing the Group's strategy. Investment decisions, likewise, integrate climate risk considerations, as well as the business opportunities that arise from decarbonisation of energy so that the Group's capital investment is allocated appropriately and responsively to ensure that Tharisa's business model remains both sustainable and competitive. The Group produces several raw materials required for decarbonising the global economy. It also directs its research and development activities towards minimising its direct carbon footprint and contributing to the worldwide goal of achieving net-zero carbon emissions by 2050. The Board supports the Paris Climate Agreement, which was adopted in 2015 to address the negative impact of climate change by substantially reducing global greenhouse gas emissions to limit the global increase in temperature.

During FY2021, the Board established the Climate Change and Sustainability Committee, delegating the responsibility for overseeing the climate change and sustainability strategy, policies, and functions of the Group.

Tharisa has seen an intense focus on the impacts of climate change and is acutely aware of its accountability in reducing the Group's carbon footprint. The mining industry is a critical contributor to the global economy and the delivery of critical metals for the worldwide energy transition. It is also essential for the mining industry to minimise the environmental impact of its activities and Tharisa has been reviewing its operations with respect to establishing a corporate plan to reduce its carbon emissions while continuing to grow its operations in producing metals that are needed to effect the energy transition away from fossil fuels and deliver the decarbonisation of economies.

Tharisa's management is committed to reducing its carbon emissions by 30% by 2030 (from its FY2020 baseline, which was based on 2019 data). A roadmap is being developed to be net carbon neutral by 2050. Investment decisions taken by Tharisa's Board will be informed by these decarbonisation targets, alongside the current financial investment criteria. Furthermore, this developed roadmap will ensure that the pre-defined decarbonisation targets are achieved by deploying numerous sustainability initiatives.

Practical measures have been initiated and continued to be accelerated during FY2024, such as gaining consent for a solar energy farm to decarbonise electricity supply at the Tharisa Mine as well as investing in research and development in battery technology to enable storage of this energy.

External audit

BDO Limited incorporated in Cyprus acts as an external auditor to the Group and its independence is reviewed by the Audit Committee on an annual basis. The appointment of the external auditor was approved at the AGM on 21 February 2024. The external auditor has unrestricted access to the chairman of the Audit Committee and the Lead Independent Director.

Internal audit

Tharisa established an in-house internal audit function during FY2021. The Group Head of Internal Audit is responsible for the internal audit function for the Tharisa Group. He is a member of the South African Institute of Chartered Accountants (SAICA), The Institute of Internal Auditors (IIA), The Information Systems Audit and Control Association (ISACA) and The Association of Certified Fraud Examiners (ACFE) and is subject to the code of ethics of these professional bodies.

The purpose of the Tharisa internal audit function is to provide independent, objective assurance and consulting services designed to add value and improve the Group's operations. The Internal Audit Charter sets out the internal audit function's objectives, authority and responsibilities.

The internal audit function evaluates the adequacy and effectiveness of controls in responding to risks within the Group's governance, operations and information systems, including information security and cyber security. It derives its authority from the Audit Committee, to which it reports every quarter.

The Group Head of Internal Audit and internal audit team have unrestricted access to all functions, records, property, assets, personnel, and other documentation and information that the Group Head of Internal Audit considers necessary to enable the internal audit team to carry out its responsibilities. It may obtain the necessary assistance of employees of subsidiary companies and divisions of Tharisa where they perform audits, as well as other specialised services from within or outside the Company. Furthermore, the Group Head of Internal Audit has full and free access to the chairman and members of the Audit Committee, the Lead Independent Director, the Chairman of the Board and the external auditors. The Group Head of Internal Audit has a standing invitation to attend meetings of the Audit Committee and the Board.

The internal audit function plays a role in:

- developing and maintaining a culture of accountability, integrity and adherence to high ethical standards
- facilitating the integration of risk management into the day-to-day business activities and processes and
- promoting a culture of cost-consciousness and self-assessment.

Internal audit has a responsibility to advise on governance, risk management and control issues and is required to report inadequately addressed risks and ineffective control processes to management and/or the Audit Committee. Reporting is escalated to a level consistent with the internal audit assessment of the risk. Management is responsible and accountable for addressing weaknesses and inefficiencies and taking the necessary corrective action.

The Group Head of Internal Audit and staff of the internal audit function have accountability to, among others:

- provide assurance to the Audit Committee as to the adequacy and effectiveness of the Group's governance, risk management and controls
- develop and implement an annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, including any special tasks or projects requested by management and the Audit Committee
- maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter
- establish a quality assurance programme by which the Group Head of Internal Audit assures the operation of internal audit activities
- issue periodic reports to the Audit Committee and management, as well as summarised results of audit activities
- assist in the investigation of significant suspected fraudulent activities within the organisation and notify management and the Audit Committee of the results and

consider the scope of work of the external auditors and regulators, as appropriate, to provide optimal audit coverage to the Group at a reasonable overall cost.

Management cannot place any restrictions on the scope of the audits. However, it is recognised that management and the Audit Committee provide general direction as to the scope of work and the activities to be audited and may request internal audit to undertake special reviews or audits. Opportunities for improving management control, profitability, and the Company's image may be identified during audits, which are communicated to the appropriate management level.

Recommendations on standards of control to apply to a specific activity are included in the written report of audit findings and opinions given to management for review and implementation. A written report is issued and distributed within a reasonable time after receiving the written management responses.

All significant control weaknesses are followed up on a monthly basis to ensure the remedial action has been implemented by management and the appropriate feedback is given to the Audit Committee on the status of such remedial action.

The internal auditor is responsible for conducting reviews with professional scepticism, recognising that the application of audit procedures may produce evidential matter indicating the possibility of errors or irregularities. Deterrence of fraud is however the responsibility of management.
Internal audit will assist in the investigation of fraud to determine if controls need to be implemented or strengthened and design audit tests to help disclose the possibilities for similar frauds in the future. It will recommend improvements to correct the weaknesses and incorporate appropriate tests in future audits to disclose the existence of similar weaknesses in other areas of the organisation.

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Internal audit maintains an open relationship with external auditors and any other assurance providers. Consistent with the internal audit strategy, internal audit plans its activity to help ensure the adequacy of overall audit coverage and to minimise duplication of assurance effort. The external auditors have full and unrestricted access to all internal audit strategies, plans, working papers and reports.

Independence and objectivity are essential to the effectiveness of the internal audit function. Internal audit has no direct authority or responsibility for the activities it reviews or for developing or implementing procedures. In addition, internal audit staff generally do not assume a role other than in an advisory capacity in the design, installation or operation of control procedures.

Internal audit reports functionally to the chairman of the Audit Committee and administratively to the Chief Finance Officer for the efficient and effective operation of internal audit function. The Audit Committee decides on the Group Head of Internal Audit appointment and removal and is responsible for his performance appraisal.

Independence is protected by ensuring that the internal audit function is free from control or undue influence by any party in selecting and applying audit techniques, procedures, and programmes.

Internal audit is free from control or undue influence in the determination of facts revealed by the examination or in the development of recommendations or opinions resulting from the examination. The internal audit function is free from undue influence in selecting areas, activities, personal relationships, and managerial policies to be examined.

The internal audit function has oversight of the independent anonymous Safety and Ethics Hotline administered by Whistleblowers Proprietary Limited. It investigates all reports received via the Whistleblowers hotline and through other channels and makes recommendations to management.

The Audit Committee ensures that the internal audit function is subjected to an independent quality review as and when the Audit Committee determines it appropriate as a measure to ensure that the function remains effective.

Internal control systems

To meet the Company's responsibility to provide reliable financial information, the Company maintains financial and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority that the assets are adequately protected against material losses, unauthorised acquisition, use or disposal and those transactions are properly authorised and recorded. The systems include a documented organisational structure and division of responsibility and established policies and procedures, which are communicated throughout the Group, and the careful selection, training, and development of people.

The Audit Committee monitors the operation of the internal control systems to determine whether there are deficiencies. Corrective actions are taken to address control deficiencies as they are identified. The Board, operating through the Audit Committee, oversees the financial reporting process and internal control systems.

There are inherent limitations to the effectiveness of any internal control system, including the possibility of human error and the circumvention or overriding of controls.

Code of Business Ethics and Conduct

The Group's Code of Business Ethics and Conduct reaffirms the high standards of business conduct required of all employees, officers, and directors of Tharisa. It forms part of the Company's continuing effort to ensure that it complies with all applicable laws, as an effective programme to prevent and detect violations of law, and for the education and training of employees, officers, and directors. In most circumstances, the code sets standards that are higher than the law requires and adherence to the code aims to preserve the confidence and support of the public and Tharisa's shareholders.

Tharisa expects its employees, officers, and directors to:

- act with honesty, integrity, and fairness in all dealings, both internally and externally
- comply with all laws and regulations applicable to the Group
- comply with Group policies and procedures
- protect the health, safety, and wellbeing of co-workers, suppliers, and the communities in which the Group operates
- protect the environment by prudent use of resources such as water and energy and to limit waste disposal by recycling
- protect and not disclose Tharisa's confidential information
- avoid any potential conflicts of private interests with the interests of the Group, including, but not limited to, improper communications with competitors or suppliers regarding bids for contracts, having close relationships with contractors or suppliers, and involvement with any other businesses that have interests adverse to Tharisa, interests in Tharisa, or compete with Tharisa
- not give or accept gifts, gratuities, or hospitality from customers or suppliers of inappropriate value, that could incur obligations or that could influence judgement
- avoid any situations or relationships that could interfere with an individual's ability to make decisions in Tharisa's best interests
- to act courteously, dignified and respectfully when dealing with co-workers and third parties and to refrain from discriminatory, harassing, or bullying behaviour, whether expressed verbally, in gesture, or through behaviour.

Furthermore, it is Tharisa's policy not to discriminate against any employee on the basis of race, religion, national origin, language, gender, sexual orientation, HIV status, age, political affiliation, or physical or other disability. Tharisa desires to create a challenging and supportive environment where individual contributions and teamwork are highly valued. In order to establish such an environment, all individuals are expected to support this policy of non-discrimination and Tharisa's equal employment opportunity policies.

Human rights, modern slavery and human trafficking

Tharisa acts ethically and with integrity in all business dealings and has the necessary systems and controls in place to safeguard against any form of transgression of human rights. Tharisa will continue to raise awareness of human rights among its employees, suppliers, and the communities in which it operates.

Modern slavery encapsulates slavery, servitude, and forced or compulsory labour. Tharisa has a zero-tolerance approach to any form of modern slavery and is committed to ensuring that there is no slavery or human trafficking in its supply chain, or any part of its business.

Anti-bribery and corruption policy

Tharisa is committed to doing business ethically. Tharisa does not tolerate corruption, fraud, and bribery and does not allow donations to any political parties through any of its operations. The Group's anti-corruption policy outlines potential risks and steps to mitigate the risk of bribery and corruption, together with a reporting guideline. All employees, suppliers, and other associated persons are made aware of these policies and procedures with regard to ethical behaviour, business conduct, and transparency.

Independent anonymous safety and ethics hotline

The Group has a zero-tolerance approach to safety transgressions, theft, fraud, corruption, violation of the law, and unethical business practices by employees or suppliers.

A 24-hour independent anonymous Safety and Ethics Hotline monitored by an independent external party is fully operational and facilitates the reporting and resolution of safety and ethical violations. This confidential and anonymous hotline provides an impartial facility for employees, service providers, customers, and other stakeholders to report any safety or ethics-related matter such as safety concerns, unsafe behaviour and practices, hazardous conditions, fraudulent activity, corruption, statutory malpractice, financial and accounting reporting irregularities, and other deviations from safe and ethical behaviour. The Audit Committee must ensure that arrangements are in place for the independent investigation of such matters and appropriate follow-up action. No action will be taken against anyone reporting legitimate concerns, even if there is no proven unlawful conduct.

CORPORATE GOVERNANCE REPORT

Each report received via the Safety and Ethics Hotline, or any other channel, is considered and assessed by the Group Head of Internal Audit in terms of the nature of the incident and the level of staff implicated. For the following instances, the Group Head of Internal Audit consults with the Audit Committee Chairperson and together they decide on the most appropriate follow-up action:

- reports that concern individuals that are at the highest level of management of the Group and/or individuals that are responsible for overseeing one or more departments, or
- incidents that indicate a serious or pervasive violation that puts Tharisa at risk (whether from a reputational or financial perspective).

Based on this assessment, the Group Head of Internal Audit, in conjunction with the CFO and/or COO and/or CEO, determines whether to investigate the matter with internal audit resources or request the senior management within the function/region to investigate where this is appropriate or required. In certain circumstances it could be appropriate to engage an outside forensic expert to investigate. All incidents are investigated and the outcomes of the investigations are reported to the Audit Committee every quarter. Based on the outcome of the investigation, appropriate action is taken, which may include, where deemed necessary, a disciplinary process in accordance with the Tharisa Human Resources Disciplinary Process.

Whistle Blowers Proprietary Limited operates and ensures the confidentiality of the hotline/tip-off process and that the anonymity of the individual using the hotline is protected while they are in possession of the information, as well as protecting the rights of the individuals referred to in the complaint.

Investor relations

The CEO and CFO, supported by the investor relations function, interact with institutional investors and qualified private investors on the performance of the Group through presentations and scheduled meetings regularly. The Company also participates in selected South African and international conferences and conducts roadshows in South Africa and internationally.

A wide range of information and documents, including copies of presentations given to investors, integrated annual reports and notices of shareholder meetings, are made available on the Company's website www.tharisa.com on an ongoing basis. Shareholders are encouraged to visit the investors' section of the website frequently to be kept informed of the corporate timetable, including dates for the AGMs, forms of proxy and relevant shareholder information.