

A yellow excavator bucket is shown in the foreground, partially filled with dark material. The background features a vibrant sunset or sunrise with a large, glowing red sun. The overall scene is set in a mining or construction environment.

Mantengu^o
Next Generation Mining

**Mantengu Mining Limited
Reviewed Condensed Consolidated Interim
Financial Statements**

for the 6 months ended 31 August 2024



**Reviewed
Condensed
Consolidated
Interim Financial
Statements**





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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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The reports and statements set out below comprise the reviewed condensed consolidated interim financial statements presented to the shareholders.

GENERAL INFORMATION

| | |
|--|---|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Mantengu is a resource investment company which is focused on unlocking new value in the mining, mining services and energy sectors. Mantengu intends to be a "Next Generation" conglomerate because it's funding, empowerment and business models transcend the typical extractive models by creating and introducing new growth into financially unchartered parts of South Africa. |
| Directors | MJ Miller M Naidoo J Tshikundamalema VS Madlela W Geyer |
| Registered office | 5 Saint Michael's Lane Bryanston 2021 |
| Postal address | PostNet Suite 446 Private Bag X21 Bryanston 2021 |
| Bankers | First National Bank Standard Bank Nedbank |
| Auditor | HLB CMA South Africa Inc. Registered Auditors |
| Secretary | Neil Esterhuysen & Associates Incorporated |
| Company registration number | 1987/004821/06 |
| Preparer | These condensed consolidated interim financial statements were prepared under the supervision of the Chief Financial Officer, M Naidoo. |
| Issued | 11 November 2024 |
| ISIN | ZAE000320347 |
| Share code | MTU |

DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the 6 months ended 31 August 2024

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the reviewed condensed consolidated interim financial statements and related information. It is the directors' responsibility to ensure that the reviewed condensed consolidated interim financial statements fairly present the state of affairs of the group as at the end of the interim period and the results of its operations and cash flows for the period then ended, in conformity with IAS 34 – Interim Financial Reporting.

The reviewed condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting and in the manner required by the South African Companies Act and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment.

To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the interim consolidated financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise operating risk by ensuring that appropriate infrastructure, controls and ethical behaviour are applied and managed within predetermined procedures and constraints. In discharging their responsibilities, the directors rely on information supplied by management. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the 6 months under review.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the reviewed condensed consolidated interim financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the period to 28 February 2025 and, in light of this review and the current financial position, they are satisfied that the group has access to adequate resources to continue in operational existence for the foreseeable future.

The reviewed condensed consolidated interim financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the group has adequate resources in place to continue in operation for the foreseeable future.

The reviewed condensed consolidated interim financial statements which appear on pages 8 to 20 were approved by the board of directors on 11 November 2024 and signed on their behalf by:



MJ Miller
Chief Executive Officer



M Naidoo
Chief Financial Officer

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the reviewed condensed consolidated interim financial statements of Mantengu Mining Limited ("Mantengu") for the 6 months ended 31 August 2024.

1. Nature of business

The activities of the Group are undertaken through the Company and its principal subsidiaries. Mantengu is a resource investment company which is focused on unlocking new value in the mining, mining services and energy sectors. Mantengu intends to be a "Next Generation" conglomerate because its funding, empowerment and business models transcend the typical extractive models by creating and introducing new growth into financially unchartered parts of South Africa.

Langpan Mining Co (Proprietary) Limited is a mining company that owns a chrome processing plant and its 100% held subsidiary, Memor Mining (Proprietary) Limited ("Memor"). The mining rights are registered in Memor and are in relation to the chrome and platinum mining and associated beneficiation operations on the Langpan 371KQ farm in Limpopo Province.

Mantengu Mining Equipment (Proprietary) Limited is a company that purchases yellow machinery to conduct mining operations and leases this to companies within the Mantengu group.

Meerust Chrome (Proprietary) Limited ("Meerust") is a wholly owned subsidiary. The company on 6 August 2024 entered into a transfer of mining right agreement with New Venture Mining Investment Holdings (Proprietary) Limited "NVMIH". Contemporaneously with the NVMIH Mining Right Agreement, Meerust entered into a sale and contractorship agreement dated 6 August 2024 with NVMIH in terms of which Meerust is entitled to mine and process chrome ore until the successful transfer of the Mining Right from NVMIH to Meerust.

2. Review of financial results and activities

The Group's business and operations, and the results thereof, are clearly reflected in the attached condensed consolidated interim financial statements for the 6 months ended 31 August 2024.

3. Dividends

No dividends were declared or paid to shareholders during the 6 months ended 31 August 2024 (2023: nil).

4. Directorate

The directors in office at the date of this report are as follows:

| Directors | Office | Designation | Changes |
|-------------------|-------------------------|--------------------------------|-----------------------------|
| MJ Miller | Chief Executive Officer | Executive | |
| M Naidoo | Chief Financial Officer | Executive | |
| J Tshikundamalema | Chairman | Independent Non-executive | |
| A Collins | Chairman | Non-executive | Resigned 23 September 2024 |
| VS Madlela | Other | Lead Independent Non-executive | |
| W Geyer | Other | Independent Non-executive | Appointed 23 September 2024 |

5. Directors' interests in shares

| | Beneficial | | Number of shares 2024 | Shareholding |
|-------------------|----------------|-------------------|--------------------------|----------------|
| | Direct | Indirect | | |
| MJ Miller | – | 22 169 548 | 22 219 548 | 13.16 % |
| M Naidoo | 221 200 | – | 221 200 | 0.13 % |
| A Collins | – | 16 713 702 | 16 713 702 | 9.90 % |
| J Tshikundamalema | – | 999 625 | 999 625 | 0.59 % |
| | 221 200 | 39 932 875 | 40 154 075 | 23.78 % |

6. Secretary

The company secretary is Neil Esterhuysen & Associates Incorporated.

Postal address: PO Box 814
Irene
0062

Business address: Units 23 & 24, Norma Jean Square 244 Jean Ave
Centurion
0157

7. Auditors

HLB CMA South Africa Inc. will continue as auditors for the Group and its subsidiaries for the year ending 28 February 2025.

8. Events after the reporting period

On 23 September 2024, Alistair Collins resigned as a non-executive director and Chairman of the Board to take up his current role as Group Chief Legal Officer. Warren Geyer was appointed to the Board as an Independent non-executive director on the same date and Jonas Tshikundamalema who is a current non-executive director was appointed Chairman.

On 9 October 2024, Mantengu entered into a sale of shares agreement with Ridge Mining Proprietary Limited and Imbani Platinum SPV (Proprietary) Limited for the acquisition of Blue Ridge Platinum (Proprietary) Limited for a total purchase consideration of R100 plus a deferred amount of R64 668 937. The agreement is subject to the fulfilment of certain suspensive conditions and the effective date will be on fulfilment or waiver of these suspensive conditions. Mantengu will pay the consideration price in cash.

On 25 October 2024, Mantengu entered into a sale of shares agreement with Sintex Minerals and Services Incorporated, a private company incorporated in the State of Texas in the United States of America, for the acquisition of the entire issued share capital of Sublime Technologies (Proprietary) Limited for a consideration of USD100 000. The agreement is subject to the fulfilment of certain suspensive conditions and the effective date will be on fulfilment or waiver of these suspensive conditions. Mantengu will pay the consideration price in cash.

The directors are not aware of any other matter or circumstance arising since the end of the interim period and up to the approval date that would need to be dealt with in these interim financial statements.

9. Going concern

The financial position of the group, its cash flows, liquidity position and borrowing facilities are set out in the group's reviewed condensed consolidated interim financial statements for the six months ended 31 August 2024. The Board has considered the group's cash flow forecast for the period to the end of 28 February 2025 under the wider macroeconomic environment and the group's operations. The Board is satisfied that the group's forecasts and projections, indicate that the group has sufficient resources and access to resources to continue to operate as a going concern. The group has access to multiple funding lines, including a share subscription facility agreement with GEM Global Yield LLC SCS and GEM Yield Bahamas Limited for R500 million, as announced on SENS on 26 October 2023. Accordingly, the Board believes that it is appropriate to prepare the interim financial statements on a going concern basis.

INDEPENDENT AUDITOR'S REPORT



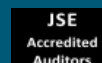
Network of the Year



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Independent Auditor's review report on interim financial statements

To the shareholders of Mantengu Mining Limited

We have reviewed the condensed consolidated financial statements of Mantengu Mining Limited, contained in the accompanying interim report, which comprise the condensed consolidated statement of financial position as at 31 August 2024 and the condensed consolidated statement of other comprehensive income, changes in equity and cash flows for the six month period then ended, and selected explanatory notes.

Directors' Responsibility for the Annual Financial Statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Mantengu Mining Limited for the six months ended 31 August 2024 are not prepared, in all material respects in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.



CorporateINTL Audit & Assurance Services Firm of the Year 2019 and 2023

IRBA Practice no.: 912476
SAICA Practice no.: 30701993

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Offices in: Midrand (HQ), Vaal Triangle, West Rand, East Rand, Tshwane, Cape Town


Directors:
Our list of directors is available on request from
mbasecretarial@mbainc.co.za

Other Reports Required by the Companies Act of South Africa

The condensed consolidated interim financial statements include the Directors' Report as required by the Companies Act of South Africa. The directors are responsible for the Directors' Report. Our conclusion on the condensed consolidated interim financial statements does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our independent review of the condensed consolidated interim financial statements, we have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the condensed consolidated interim financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we will report that fact. We have nothing to report in this regard.

HLB CMA South Africa Incorporated
Chartered Accountants (SA)



Jeandre du Toit
Director
Registered Auditor
11 November 2024



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 August 2024

| | Notes | Reviewed 31 Aug 2024 (R'000) | Reviewed 31 Aug 2023 (R'000) | Audited 29 Feb 2024 (R'000) |
|-------------------------------------|-------|---------------------------------------|---------------------------------------|--------------------------------------|
| Assets | | | | |
| Non-Current Assets | | | | |
| Property, plant and equipment | 4 | 272 637 | 240 365 | 250 650 |
| Right-of-use assets | | 6 877 | 7 672 | 7 290 |
| Intangible assets | | 7 000 | – | – |
| Goodwill | 5 | 39 195 | 39 195 | 39 195 |
| | | 325 709 | 287 232 | 297 135 |
| Current Assets | | | | |
| Inventories | 6 | 153 121 | 17 399 | 99 949 |
| Trade and other receivables | | 81 914 | 7 937 | 29 801 |
| Prepayments | | 12 852 | 4 904 | 12 995 |
| Cash and cash equivalents | | 785 | 85 | 11 325 |
| | | 248 672 | 30 325 | 154 070 |
| Total Assets | | 574 381 | 317 557 | 451 205 |
| Equity and Liabilities | | | | |
| Equity | | | | |
| Share capital | | 152 275 | 99 970 | 118 724 |
| Accumulated loss | | (16 347) | (36 506) | (19 307) |
| | | 135 928 | 63 464 | 99 417 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| Other financial liabilities | 7 | 70 624 | 96 390 | 96 548 |
| Lease liability | | 7 759 | 7 868 | 7 918 |
| Deferred taxation | 10 | 26 648 | 17 788 | 23 407 |
| | | 105 031 | 122 046 | 127 873 |
| Current Liabilities | | | | |
| Trade and other payables | | 203 780 | 48 217 | 110 773 |
| Other financial liabilities | 7 | 122 944 | 83 007 | 110 866 |
| Lease liabilities | | 287 | 50 | 233 |
| Current taxation | | 3 527 | 625 | 659 |
| Provisions | | 2 884 | – | 1 384 |
| Bank overdraft | | – | 148 | – |
| | | 333 422 | 132 047 | 223 915 |
| Total Liabilities | | 438 453 | 254 093 | 351 788 |
| Total Equity and Liabilities | | 574 381 | 317 557 | 451 205 |

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Notes | Reviewed 6-months ended 31 Aug 2024 (R'000) | Reviewed 6-months ended 31 Aug 2023 (R'000) | Audited 12 months ended 29 Feb 2024 (R'000) |
|---|-------|---|---|--|
| Revenue | 9 | 115 855 | 13 087 | 109 925 |
| Cost of sales | | (62 841) | (11 617) | (57 367) |
| Gross profit | | 53 014 | 1 470 | 52 558 |
| Other income | | 390 | 2 257 | 6 488 |
| Administrative expenses | | (9 558) | (6 781) | (11 137) |
| Depreciation | | (8 447) | (2 357) | (9 641) |
| Directors' remuneration | 13 | (4 843) | (2 774) | (7 959) |
| Employee benefits | | (5 456) | (1 119) | (1 811) |
| Other operating expenses | | (830) | (6 096) | (3 598) |
| Operating profit (loss) | | 24 270 | (15 400) | 24 900 |
| Finance costs | 8 | (16 411) | (12 736) | (30 218) |
| Profit (loss) before taxation | | 7 859 | (28 136) | (5 318) |
| Taxation | | (4 899) | 12 103 | 6 484 |
| Profit (loss) for the year | | 2 960 | (16 033) | 1 166 |
| Other comprehensive income | | – | – | – |
| Total comprehensive income (loss) for the period | | 2 960 | (16 033) | 1 166 |
| Earnings per share | 11 | | | |
| Basic earnings (loss) per share (cents) | | 2 | (10) | 1 |
| Diluted basic earnings (loss) per share (cents) | | 2 | (10) | 1 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share capital (R'000) | Accumulated loss (R'000) | Total equity (R'000) |
|--|--------------------------|-----------------------------|-------------------------|
| Group | | | |
| Balance at 01 March 2023 (Audited) | 99 189 | (20 473) | 78 716 |
| Total comprehensive loss for the period | – | (16 033) | (16 033) |
| Issue of incentive performance shares | 780 | – | 780 |
| Balance at 31 August 2023 (Reviewed) | 99 970 | (36 506) | 63 464 |
| Total comprehensive income for the period | – | 17 199 | 17 199 |
| Issue of debt conversion shares | 7 455 | – | 7 455 |
| Issue of commitment fee shares | 11 300 | – | 11 300 |
| Balance at 29 February 2024 (Audited) | 118 724 | (19 307) | 99 417 |
| Total comprehensive income for the period | – | 2 960 | 2 960 |
| Issue of shares | 35 099 | – | 35 099 |
| Treasury shares | (1 548) | – | (1 548) |
| Balance at 31 August 2024 (Reviewed) | 152 275 | (16 347) | 135 928 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | Reviewed 6-months ended 31 Aug 2024 R'000 | Reviewed 6-months ended 31 Aug 2023 R'000 | Audited 12 months ended 29 Feb 2024 R'000 |
|--|--|--|--|
| Net cash from operating activities | 13 640 | (5 745) | 5 243 |
| Net cash from investing activities | (13 800) | (31 916) | (50 644) |
| Net cash from financing activities | (10 380) | 19 352 | 38 750 |
| Total cash movement for the period | (10 540) | (18 039) | (6 651) |
| Cash and cash equivalents at the beginning of the year | 11 325 | 17 976 | 17 976 |
| Total cash at end of the period | 785 | (63) | 11 325 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The interim financial statements have been prepared in accordance with and contain the information required by the JSE Listings Requirements and the requirements of the Companies Act of South Africa. The JSE Listings Requirements require interim financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), in accordance with and containing the information required by IAS 34 Interim Financial Reporting, Financial Pronouncements (as issued by the Financial Reporting Standards Council), and the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee).

The interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the group annual financial statements as at and for the year ended 29 February 2024, which have been prepared in accordance with IFRS.

2. Accounting policies

The accounting policies applied in the preparation of these reviewed condensed consolidated interim financial statements are in terms of IFRS and are consistent with those applied in the annual financial statements for the year ended 29 February 2024.

3. Overview of operational performance

The Group continues to ramp up production at both its mining operations. Langpan has completed the refurbishment of its LG processing plant and is at a significantly advanced stage with the capex build of its MG processing plant. The MG processing plant is expected to be commissioned late in the 2024 calendar year and is expected to be at full capacity before the 2025 financial year end. This should more than double Langpan's production capacity. The Group has also invested significant capex into its Meerust operation which is expected to significantly boost production to more than 10 000 tonnes of chrome concentrate. At 31 August 2024, revenue consisted of the sale of chrome concentrate of 37 598 metric tonnes (2023: 4 757 metric tonnes). Production for this period consisted of 37 334 metric tonnes (2023: 4 857 metric tonnes).

4. Property, plant and equipment

| Group | 31 Aug 2024 | | | 31 Aug 2023 | | |
|------------------------|----------------|--------------------------|----------------|----------------|--------------------------|----------------|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Motor vehicles | 1 851 | (496) | 1 355 | 1 024 | (259) | 765 |
| Computer equipment | 402 | (119) | 283 | 237 | (62) | 175 |
| Furniture & fittings | 79 | (13) | 66 | 64 | (3) | 61 |
| Plant & equipment | 76 327 | (8 282) | 68 045 | 43 542 | (1 257) | 42 285 |
| Work in progress | 79 698 | – | 79 698 | 67 684 | – | 67 684 |
| Decommissioning assets | 107 | (5) | 102 | – | – | – |
| Mineral reserves | 129 952 | (6 864) | 123 088 | 129 952 | (556) | 129 396 |
| Total | 288 416 | (15 779) | 272 637 | 242 503 | (2 137) | 240 365 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

4. Property, plant and equipment continued

| Group | 29 Feb 2024 | | |
|------------------------|----------------|--------------------------|----------------|
| | Cost | Accumulated depreciation | Carrying value |
| Motor vehicles | 7 273 | (365) | 6 908 |
| Computer equipment | 214 | (77) | 137 |
| Furniture & fittings | 63 | (8) | 55 |
| Plant & equipment | 52 275 | (3 952) | 48 323 |
| Work in progress | 69 751 | – | 69 751 |
| Decommissioning assets | 107 | – | 107 |
| Mineral reserves | 129 952 | (4 583) | 125 369 |
| Total | 259 635 | (8 985) | 250 650 |

Reconciliation of property, plant and equipment – 31 Aug 2024

| | Opening balance | Additions | Transfers | Depreciation | Total |
|------------------------|-----------------|---------------|-----------|----------------|----------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Motor vehicles | 6 908 | 578 | (6 000) | (131) | 1 355 |
| Computer equipment | 137 | 188 | – | (42) | 283 |
| Furniture & fittings | 55 | 16 | – | (5) | 66 |
| Plant & equipment | 48 323 | 18 054 | 6 000 | (4 332) | 68 045 |
| Work in progress | 69 751 | 9 947 | – | – | 79 698 |
| Decommissioning assets | 107 | – | – | (5) | 102 |
| Mineral reserves | 125 369 | – | – | (2 281) | 123 088 |
| | 250 650 | 28 783 | – | (6 796) | 272 637 |

Reconciliation of property, plant and equipment – 31 Aug 2023

| | Opening balance | Additions | Transfers | Depreciation | Total |
|----------------------|-----------------|---------------|-----------|----------------|----------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Motor vehicles | 290 | 565 | – | (90) | 765 |
| Computer equipment | 214 | – | – | (40) | 174 |
| Furniture & fittings | – | 64 | – | (3) | 61 |
| Plant & equipment | 54 480 | 6 627 | (17 566) | (1 256) | 42 285 |
| Work in progress | 17 235 | 32 883 | 17 566 | – | 67 684 |
| Mineral reserve | 129 952 | – | – | (556) | 129 396 |
| | 202 171 | 40 139 | – | (1 945) | 240 365 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

Reconciliation of property, plant and equipment – 29 Feb 2024

| | Opening balance | Additions | Transfers | Depreciation | Total |
|------------------------|-----------------|---------------|-----------|----------------|----------------|
| Motor vehicles | 290 | 6 814 | – | (196) | 6 908 |
| Computer equipment | 214 | – | – | (77) | 137 |
| Furniture and fixtures | – | 63 | – | (8) | 55 |
| Plant and machinery | – | 28 996 | 23 279 | (3 952) | 48 323 |
| Work in progress | 71 715 | 21 315 | (23 279) | – | 69 751 |
| Decommissioning asset | – | 107 | – | – | 107 |
| Mineral reserve | 129 952 | – | – | (4 583) | 125 369 |
| | 202 171 | 57 295 | – | (8 816) | 250 650 |

Langpan capex build

Langpan has completed the refurbishment of its LG processing plant and is at a significantly advanced stage with the capex build of its MG processing plant. We anticipate incurring a further R40 million to complete the build. The completion of the MG processing plant should more than double Langpan's production capacity.

Fair value of mineral reserve

On 27 July 2022, Mantengu acquired 100 per cent of the issued share capital of Langpan, obtaining control. Langpan mines and processes chrome ore to produce chrome concentrate, with Platinum Group Metals (PGMs) as a by-product. A Competent Persons Report (CPR) was performed by Bara Consulting (Pty) Ltd in accordance with (1) The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) 2016 Edition and (2) The South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code) 2016 Edition. The total reserves indicated in the CPR were 2.17 million tonnes and the value indicated was R851 million at December 2021 market prices. There have been no material changes to the resources and reserves set out in the CPR.

The Group was unable to record the mineral reserve at the fair value of R851 million on acquisition. This is because the mineral reserve had to be recorded at the pre-combination value of R130 million in accordance with IFRS 3, paragraph B22(a) because of the Langpan acquisition being classified as a reverse takeover in accordance with IFRS 3, paragraph B19. The Group does not consider the value of the mineral reserve recorded in the statement of financial position of R123 million to be indicative of the value of the remaining 2 million tonnes of ore at Langpan. The fair value is estimated at R1.5 billion at current market prices of chrome concentrate. The mineral reserve is amortised on a units of production basis.

5. Goodwill

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|----------|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| Goodwill | 39 195 | 39 195 | 39 195 |

6. Inventories

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|------------------|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| Raw materials | 11 997 | 6 545 | 5 651 |
| Work in progress | 137 745 | 5 908 | 93 798 |
| Finished goods | 3 379 | 4 946 | 500 |
| | 153 121 | 17 399 | 99 949 |

7. Other financial liabilities

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|--|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| Held at amortised cost | | | |
| The Gamsy Family Trust | 4 371 | 9 716 | 4 371 |
| Gillian Gamsy | 686 | 725 | 686 |
| Growth Equities Proprietary Limited | – | 2 228 | – |
| POCOT Trust | 498 | 528 | 498 |
| Opsolve Investments Proprietary Limited | – | 211 | – |
| KAG Trust | – | 106 | – |
| Douglas Welsh | – | 100 | – |
| JS Geyer | – | 84 | – |
| Parkview Trust | – | 84 | – |
| Palugen Proprietary Limited | 318 | 318 | 318 |
| Scott Gaskell | 91 | 91 | 91 |
| Metorient Proprietary Limited | 14 000 | 14 000 | 14 000 |
| Disruptioncapital | 360 | 1 773 | 1 210 |
| Piet Human | 1 571 | 1 571 | 1 571 |
| Simeka Holdings Proprietary Limited | 9 820 | 9 820 | 9 820 |
| Liability relating to Memor Acquisition | 2 100 | 2 100 | 2 100 |
| These loans are unsecured and bear no interest. | | | |
| Trade Finance | 41 009 | 27 343 | 42 983 |
| Trade finance is short-term in nature and interest bearing. | | | |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|---|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| RWE Supply & GMBH | 64 094 | 66 071 | 79 529 |
| On 14 April, the Group entered into a contract with RWE Supply & Trading GMBH to deliver 240 000 metric tonnes of chrome concentrate over a period of 2 years commencing in July 2023. During September 2023 the Group signed an amendment to this contract increasing its delivery over the same period to 270 000 metric tonnes. The amount bears interest at the secured overnight financing rate plus 5% and is repayable over the duration of 2 years. | | | |
| IDC loan | 54 432 | 42 228 | 49 977 |
| The loan with the Industrial Development Corporation of South Africa Limited (IDC) is secured by the assets that formed part of the agreement. Legal title to these assets remains with the IDC until paid off by Langpan. The loan bears interest at prime plus 2.8%. The loan is repayable in monthly instalments over the 5-year period which commenced late in April 2023. | | | |
| Nedbank vehicle loan | 218 | 300 | 260 |
| This relates to an instalment sale agreement over a period of 5 years. The loan bears interest at 12.85%. | | | |
| | 193 568 | 179 397 | 207 414 |
| Split between non-current and current portions | | | |
| Non-current liabilities | 70 624 | 96 390 | 96 548 |
| Current liabilities | 122 944 | 83 007 | 110 866 |
| | 193 568 | 179 397 | 207 414 |

8. Finance costs

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|-----------------------------|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| Vehicle loan | 21 | 25 | 48 |
| Lease liabilities | 535 | 539 | 1 287 |
| SARS interest | 365 | 145 | 304 |
| Other financial liabilities | 7 464 | 7 885 | 16 939 |
| Trade finance facility | 8 026 | 2 812 | 11 640 |
| Other interest | - | 1 330 | - |
| | 16 411 | 12 736 | 30 218 |

9. Revenue

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|----------------------------|----------------|----------------|----------------|
| | R'000 | R'000 | R'000 |
| Sale of chrome concentrate | 115 855 | 13 087 | 109 925 |

As at 31 August 2024, the sale of chrome concentrate consisted of 37 598 metric tonnes.

10. Deferred taxation

Temporary differences are attributable to the following items:

| | 31 Aug 2024 | 31 Aug 2023 | 29 Feb 2024 |
|-------------------------------|-----------------|-----------------|-----------------|
| | R'000 | R'000 | R'000 |
| Prepayments | (3 499) | (1 319) | (3 509) |
| Income received in advance | 5 058 | 5 530 | 6 657 |
| Assessed loss | 6 122 | 12 906 | 7 455 |
| Right-of-use assets | (1 857) | (2 071) | (1 968) |
| Lease liability | 2 173 | 2 138 | 2 201 |
| Property, plant and equipment | (35 424) | (34 972) | (34 617) |
| Provisions | 779 | - | 374 |
| | (26 648) | (17 788) | (23 407) |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

11. Earnings and headline earnings per share

| | Reviewed 31 Aug 2024 | Reviewed 31 Aug 2023 | Audited 29 Feb 2024 |
|--|----------------------------|----------------------------|---------------------------|
| Earnings | | | |
| Net profit (loss) attributable to ordinary shareholders | 2 960 646 | (16 033 180) | 1 165 887 |
| Number of shares | | | |
| Number of shares in issue at beginning of period | 168 853 395 | 153 362 857 | 153 362 857 |
| Number of shares issued – Performance share awarded (6 June 2024) (1) | 33 098 | 125 087 | 322 127 |
| Issue of commitment fee shares | – | – | 3 260 274 |
| Issue of debt conversion shares | – | – | 13 617 |
| Number of shares issued – BCM acquisition (2 July 2024) (2) | 6 411 811 | – | – |
| Number of shares issued – GEM drawdown (29 July 2024) (3) | 607 195 | – | – |
| Less: treasury shares held (6) | (440 658) | – | – |
| Weighted average number of shares in issue | 175 464 841 | 153 487 944 | 156 958 875 |
| Basic earnings (loss) per share (cents) | 2 | (10) | 1 |
| Diluted basic earnings (loss) per share cents (4) | 2 | (10) | 1 |
| Headline earnings (loss) and diluted headline earnings (loss) per share (cents) (4) (5) | 2 | (10) | 1 |

(1) 70 000 shares were issued to employees in respect of the performance share plan. These have been adjusted for being outstanding for 87 of 184 days.

(2) 19 340 544 shares were issued in respect of the BCM acquisition. These have been adjusted for being outstanding for 61 of 184 days.

(3) 3 285 997 shares were issued in respect of the first two GEM drawdowns. These have been adjusted for being outstanding for 34 of 184 days.

(4) There are no dilutive potential ordinary shares.

(5) There are no adjustments that arise out of the SAICA Headline Earnings Circular 1/2023.

(6) Mantengu Mining Limited, through its subsidiary Mantengu Mining Equipment (Proprietary) Limited bought back 954 779 shares on various intervals. The number of shares has been weighted accordingly.

12. Related parties

Relationships

| | |
|---|--|
| Shareholder with significant influence | Disruptioncapital Proprietary Limited The Gamsy Family Trust Alistair Collins Family Trust |
| Subsidiary | Langpan Mining Co Proprietary Limited Mantengu Mining Equipment Proprietary Limited Meerest Chrome Proprietary Limited |
| Subsidiary of Langpan Mining Co Proprietary Limited | Memor Mining Proprietary Limited |

12. Related parties continued

Related party balances

| | 31 Aug 2024 R'000 | 31 Aug 2023 R'000 | 29 Feb 2024 R'000 |
|--|-------------------------|-------------------------|-------------------------|
| Amounts owing to related parties | | | |
| Michael Miller | (2 998) | (2 192) | (3 389) |
| Disruptioncapital Proprietary Limited | (360) | (1 773) | (1 210) |
| The Gamsy Family Trust | (4 371) | (9 716) | (4 371) |
| Related party transactions | | | |
| Transactions with group companies | | | |
| Management fees paid by Langpan to Mantengu Mining Limited | 18 900 | – | 18 000 |
| Management fees paid by Langpan to Memor Mining Proprietary Limited | 1 800 | – | 1 500 |
| Rental fees paid by Mantengu Mining Limited to Mantengu Mining Equipment Proprietary Limited | 30 | – | – |
| Rental fees paid by Langpan to Mantengu Mining Equipment Proprietary Limited | 600 | – | – |

13. Directors' remuneration

For the period of 6 months - 31 Aug 2024 (R'000)

| | Emoluments | Board fees | Shares | Total |
|----------------------|--------------|--------------|----------|--------------|
| Executive | | | | |
| MJ Miller | 1 908 | – | – | 1 908 |
| M Naidoo | 1 855 | – | – | 1 855 |
| Non-executive | | | | |
| A Collins | – | 600 | – | 600 |
| J Tshikundamalema | – | 240 | – | 240 |
| VS Madlela | – | 240 | – | 240 |
| | 3 763 | 1 080 | – | 4 843 |

For the period of 6 months - 31 Aug 2023 (R'000)

| | | | | |
|----------------------|--------------|------------|------------|--------------|
| Executive | | | | |
| MJ Miller | 690 | – | – | 690 |
| M Naidoo | 660 | – | 300 | 960 |
| Non-executive | | | | |
| A Collins | 440 | 202 | – | 642 |
| J Tshikundamalema | 72 | 145 | – | 217 |
| VS Madlela | 120 | 145 | – | 265 |
| | 1 982 | 492 | 300 | 2 774 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

14. Commitments

On 14 April 2022, the Group entered into a contract with RWE to deliver 240 000 metric tonnes of chrome over a period of 2 years, commencing in July 2023. During September 2023, the Group signed an amendment to this contract increasing its delivery obligation over the same period to 270 000 metric tonnes.

The only other commitment outstanding at the date of approval of these interim financial statements relates to approximately R40 million that is required to be incurred to complete the capitalisation of the Langpan mining and processing operation.

15. Contingencies

There are no contingencies as at 31 August 2024.

16. Going concern

The financial position of the group, its cash flows, liquidity position and borrowing facilities are set out in the group's reviewed condensed consolidated interim financial statements for the six months ended 31 August 2024. The Board has considered the group's cash flow forecast for the period to the end of 28 February 2025 under the wider macroeconomic environment and the group's operations. The Board is satisfied that the group's forecasts and projections, indicate that the group has sufficient resources and access to resources to continue to operate as a going concern. The group has access to multiple funding lines, including a share subscription facility agreement with GEM Global Yield LLC SCS and GEM Yield Bahamas Limited for R500 million, as announced on SENS on 26 October 2023. Accordingly, the Board believes that it is appropriate to prepare the interim financial statements on a going concern basis.

17. Events after the reporting period

On 23 September 2024, Alistair Collins resigned as a non-executive director and Chairman of the Board to take up his current role as Group Chief Legal Officer. Warren Geyer was appointed to the Board as an Independent non-executive director on the same date and Jonas Tshikundamalema who is a current non-executive director was appointed Chairman.

On 9 October 2024, Mantengu entered into a sale of shares agreement with Ridge Mining Proprietary Limited and Imbani Platinum SPV (Proprietary) Limited for the acquisition of Blue Ridge Platinum (Proprietary) Limited for a total purchase consideration of R100 plus a deferred amount of R64 668 937. The agreement is subject to the fulfilment of certain suspensive conditions and the effective date will be on fulfilment or waiver of these suspensive conditions. Mantengu will pay the consideration price in cash.

On 25 October 2024, Mantengu entered into a sale of shares agreement with Sintex Minerals and Services Incorporated, a private company incorporated in the State of Texas in the United States of America, for the acquisition of the entire issued share capital of Sublime Technologies (Proprietary) Limited for a consideration of USD100 000. The agreement is subject to the fulfilment of certain suspensive conditions and the effective date will be on fulfilment or waiver of these suspensive conditions. Mantengu will pay the consideration price in cash.

The directors are not aware of any other matter or circumstance arising since the end of the interim period and up to the approval date that would need to be dealt with in these interim financial statements.

Mantengu^o
Next Generation Mining

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Mantengu Mining Limited