Sedibelo Resources Limited
(Registration number 54400)

Condensed Consolidated Interim Financial Statements
for the three and nine-months periods ended September 30, 2024 and 2023

(As at September 30, 2024 and for the three and nine months ended September 30, 2024 and 2023)
(Unaudited, expressed in US dollars, unless otherwise stated)

Notice to Reader

The accompanying unaudited revised condensed consolidated interim financial statements have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" for a review of revised condensed consolidated interim financial statements by an entity's auditor.

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(Registration number 54400)
Condensed consolidated interim statement of financial position
Unaudited as at September 30, 2024

(Expressed in United States Dollars, unless otherwise stated)

	Note(s)	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
ASSETS			
Non-current assets			
Mining assets	5	83,293	73,537
Intangible assets	6	12,496	12,137
Property, plant and equipment	7	33,824	41,578
Loans receivable	9	341	965
Restricted investments and guarantees	10.1	23,628	19,507
Investment in joint venture	13	-	-
Total non-current assets		**153,582**	**147,724**
Current assets			
Inventories	11	10,972	11,653
Trade and other receivables	12	2,123	33,826
Loans receivable	9	-	803
Cash and cash equivalents	10.2	3,030	17,725
Non-current assets classified as held for sale	8	3,405	-
Total current assets		**19,530**	**64,007**
TOTAL ASSETS		**173,112**	**211,731**
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	14	2,549,583	2,549,583
Other components of equity		(771,728)	(805,340)
Accumulated losses		(1,702,070)	(1,648,302)
		75,785	**95,941**
Non-controlling interests	15	**(9,743)**	**(8,973)**
Total equity		**66,042**	**86,968**
Non-current liabilities			
Credit facilities	16	-	-
Decommissioning and rehabilitation provision	17	27,166	23,321
Long-term borrowings	18	6,588	5,554
Share-based payment obligations	19	-	-
Employee benefits	20	15,018	6,914
Stream prepayment	21	40,476	47,763
Total non-current liabilities		**89,248**	**83,552**
Current liabilities			
Credit facilities	16	11,722	10,789
Share-based payment obligations	17	-	-
Employee benefits	20	-	1,775
Stream prepayment	21	-	-
Trade payables and accrued liabilities	22	6,100	14,381
Revolving commodity facility	23	-	14,266
Total current liabilities		**17,822**	**41,211**
TOTAL LIABILITIES		**107,070**	**124,763**
TOTAL EQUITY AND LIABILITIES		**173,112**	**211,731**

The financial statements were authorized by Erich Clarke, on behalf of the Board of Directors, on June 11, 2025, and were signed on their behalf:

Erich Clarke (Director)

The accompanying notes are an integral part of the consolidated financial statements.

Sedibelo Resources Limited

(Registration number 54400)

Condensed consolidated interim statement of comprehensive income

Unaudited for the three and nine months ended September 30, 2024 and 2023

(Expressed in United States Dollars, unless otherwise stated)

	Notes	For the three months ended Sep 30, 2024 USD'000	For the three months ended Sep 30, 2023 USD'000	For the nine months ended Sep 30, 2024 USD'000	For the nine months ended Sep 30, 2023 USD'000
Revenue	24	-	41,562	607	98,470
Cost of operations	25	(3,755)	(25,855)	(16,254)	(87,151)
Gross profit		**(3,755)**	**15,707**	**(15,647)**	**11,319**
Administrative and general expenses	26	(4,461)	(10,253)	(21,617)	(36,507)
Fair value (loss)/gain		(17,735)	5,048	(1,530)	66,653
Foreign exchange (loss)/gain		9,204	(178)	(33,042)	(6,103)
Impairment	32	-	(723,586)	-	(759,298)
Other income/(loss)	26	(1,721)	161	(704)	(628)
Operating (loss)/profit	26	**(18,468)**	**(713,101)**	**(72,540)**	**(724,564)**
Finance income		1,211	2,186	3,783	7,600
Finance costs		(1,152)	(1,689)	(3,355)	(4,900)
Share of loss of investments accounted for using the equity method	13	(377)	(255)	(773)	(1,217)
(Loss)/profit before income tax		**(18,786)**	**(712,859)**	**(72,885)**	**(723,081)**
Income tax credit/(expense)		-	2,362	-	8,235
(Loss)/profit for the period		**(18,786)**	**(710,497)**	**(72,885)**	**(714,846)**
Attributable to:					
Owners of the parent		(18,517)	(710,263)	(72,115)	(714,182)
Non-controlling interest		(269)	(234)	(770)	(664)
(Loss)/profit for the period		**(18,786)**	**(710,497)**	**(72,885)**	**(714,846)**
Other Comprehensive (loss)/income:					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on loan designated as net investment		(5,548)	(4,782)	9,355	27,462
Exchange differences on translation from functional to presentation currency		12,233	18,175	33,994	(109,613)
Movement in other reserves		(355)	16	(370)	201
Other comprehensive share of investment accounted for using the equity method	13	-	14	-	(139)
Fair value gain/(loss) on stream prepayment	20	-	284	8,980	(33,670)
Other comprehensive income/(loss) - net of tax		**6,330**	**13,707**	**51,959**	**(115,759)**
Total comprehensive loss for the period		**(12,456)**	**(696,790)**	**(20,926)**	**(830,605)**
Attributable to:					
Owners of the parent		(12,187)	(696,556)	(20,156)	(829,941)
Non-controlling interest		(269)	(234)	(770)	(664)
Total comprehensive loss for the period		**(12,456)**	**(696,790)**	**(20,926)**	**(830,605)**
(Loss)/earnings per share (cents)					
Basic (loss)/earnings per share	27	(0.60)	(22.95)	(2.33)	(23.07)
Diluted (loss)/earnings per share	27	(0.60)	(22.95)	(2.33)	(23.07)

Condensed consolidated interim statement of changes in equity

Unaudited for the three and nine months ended September 30, 2024 and 2023

(Expressed in United States Dollars, unless otherwise stated)

	Share capital USD'000	Accumulated losses USD'000	Other reserves USD'000	Foreign currency translation reserve USD'000	Total attributable to owners of SRL USD'000	Non-controlling interest USD'000	Total equity USD'000
Balance as at January 1, 2023	**2,549,583**	**(837,346)**	**(878)**	**(684,625)**	**1,026,734**	**(8,141)**	**1,018,593**
Loss for the period	-	(714,182)	-	-	(714,182)	(664)	(714,846)
Other comprehensive (loss)/income	-	(6,347)	201	(109,613)	(115,759)	-	(115,759)
Total comprehensive income/(loss) for the period	**-**	**(720,529)**	**201**	**(109,613)**	**(829,941)**	**(664)**	**(830,605)**
Derecognition of mark-to-market reserve[(a)]	-	3,346	(3,346)	-	-	-	-
Balance as at September 30, 2023	**2,549,583**	**(1,554,529)**	**(4,023)**	**(794,238)**	**196,793**	**(8,805)**	**187,988**
Loss for the period	-	**(134,202)**	**-**	**-**	**(134,202)**	**(168)**	**(134,370)**
Other comprehensive income/(loss)	-	40,448	(108)	(6,990)	33,350	-	33,350
Total comprehensive (loss)/ income for the period	**-**	**(93,754)**	**(108)**	**(6,990)**	**(100,852)**	**(168)**	**(101,020)**
Derecognition of mark-to-market reserve[(a)]	-	(19)	19	-	-	-	-
Balance as at January 1, 2024	**2,549,583**	**(1,648,302)**	**(4,112)**	**(801,228)**	**95,941**	**(8,973)**	**86,968**
Profit/(loss) for the period	-	(72,115)	-	-	(72,115)	(770)	(72,885)
Other comprehensive (loss)/income	-	18,335	(370)	33,994	51,959	-	51,959
Total comprehensive income/(loss) for the period	**-**	**(53,780)**	**(370)**	**33,994**	**(20,156)**	**(770)**	**(20,926)**
Derecognition of mark-to-market reserve	-	12	(12)	-	-	-	-
Balance as at September 30, 2024	**2,549,583**	**(1,702,070)**	**(4,494)**	**(767,234)**	**75,785**	**(9,743)**	**66,042**
Note(s)	**14**					**15**	

(a) The mark-to-market reserve related to an investment in an equity product that had been called up for use.

Sedibelo Resources Limited

(Registration number 54400)

Condensed consolidated interim cash flow statement

Unaudited for the nine months ended September 30, 2024 and 2023

(Expressed in United States Dollars, unless otherwise stated)

	Note(s)	For the nine months ended Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
Cash flows from operating activities			
(Loss)/profit before income tax		(72,885)	(723,081)
Adjusted for:			
Amortization of mining assets	5	(938)	636
Amortization of intangible assets	6	1,353	338
Amortization of day 1 fair value	21	95	665
Loss on scrapping of property, plant and equipment	7	240	16
Loss on scrapping of intangible assets	6	-	217
Depreciation of property, plant and equipment	7	2,603	2,969
Impairment of mining assets	5	-	531,379
Impairment of intangible assets	6	-	11,470
Impairment of property, plant and equipment	7	-	216,450
Revolving commodity facility fair value adjustment	23	(11,915)	863
Share of loss in investments accounted for using the equity method	14	772	1,217
Share-based payments	20	-	6,197
Fair value gain	21	(7,542)	(66,653)
Profit on disposal of property, plant and equipment	7	(337)	(2)
Foreign exchange loss/(gain)		33,041	6,103
Finance income		(3,783)	(7,600)
Finance cost		3,355	4,900
Operating (loss)/profit before working capital changes		(55,941)	(13,914)
Decrease in trade and other receivables	12	31,704	4,862
Increase/(decrease) in trade and other payables	22	(8,282)	10,740
Decrease/increase in inventories	11	681	36
Metal credits bought for 20% cash payment on stream payment		(4,270)	(1,027)
20% cash payment received on the stream payment		4,270	1,023
Cash generated from operations		(31,838)	1,720
Interest received		533	4,778
Interest paid		(514)	(2,273)
Net cash generated from operating activities		**(31,819)**	**4,224**
Cash flows from investing activities			
Additions to property, plant and equipment	7	-	(92,182)
Disposal of property, plant and equipment	7	78	2
Additions to mining assets	5	-	(347)
Additions to intangible assets	6	-	(4,150)
Funds invested in restricted investments and guarantees		(974)	(730)
Loans granted to related party		-	-
Loans granted to external parties		-	-
Loans repaid by external parties		-	1,259
Net cash utilised in investing activities		**(896)**	**(96,148)**
Cash flows from financing activities			
Proceeds from credit facility	16	-	16,368
Repayment of credit facility	16	(2,186)	(21,824)
Proceeds from revolving commodity facility	23	-	56,923
Repayment of revolving commodity facility	23	-	(61,436)
Settlement of stream prepayment	21	42	(4,136)
Net cash (utilized in)/generated from financing activities		**(2,144)**	**(14,105)**
Net (decrease)/increase in cash and cash equivalents		**(34,859)**	**(106,029)**
Cash and cash equivalents at beginning of the year	10.2	**17,725**	**155,376**
Exchange loss on cash and cash equivalents		20,164	(8,244)
Cash and cash equivalents at end of the period	10.2	**3,030**	**41,104**

1. General information

Sedibelo Resources Limited ("the Company") and its subsidiaries ("the Group") is a mining group engaged in the acquisition, exploration, development and operation of Platinum Group Metals ("PGM") properties in South Africa. Through its 100% owned subsidiary, Pilanesberg Platinum Mines Proprietary Limited, the Group has established the Pilanesberg Platinum Mines ("PPM") on the Western Limb of the Bushveld Complex.

The Company is registered in Guernsey and reports in accordance with the provisions of The Companies (Guernsey) Law, 2008. For the nine months ended September 30, 2024, the Group made a loss of USD72.885 million (2023: loss USD714.846 million).

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented.

a) Basis of preparation

These financial statements of the Group have been prepared for the purpose of the Company's regulatory filing requirements as a reporting issuer in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Ontario, Prince Edward Island and Saskatchewan (the "Canadian Jurisdictions").

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim financial reporting and IFRIC ("International Financial Reporting Interpretations Committee") interpretations applicable to companies reporting under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed consolidated interim financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS.

The financial information has been prepared under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value.

The financial information is presented in US dollars ("USD") and all monetary results are rounded to the nearest thousand (USD'000) except when otherwise indicated.

There are no changes in these accounting policies for the three and nine-month periods ended September 30, 2024.

The Group has elected to take the exemption under The Companies (Guernsey) Law, 2008 not to present the parent statement of comprehensive income, statement of financial position, statement of changes in equity or cash flow statement.

Financial covenants breach

Pilanesberg Platinum Mines (Pty) Ltd ("PPM"), as borrower, entered into two (2) agreements whereby it was granted two (2) senior secured revolving credit facilities for an aggregate amount equal to USD29.306 million (ZAR500 million) for a period of 3 (three) years from July 15, 2022 with Nedbank, as lender and facility agent and USD29.306 million (ZAR500 million) for a period of 5 (five) years from March 27, 2023, with the Industrial Development Corporation of South Africa Limited ("the IDC") as lender and Nedbank as facility agent, respectively. These facilities are to be used for working capital purposes. (Refer to note 16)

Both these facilities are subject to the Common Terms Agreement ("CTA") (refer to note 30.1) entered into on July 15, 2022, between the Company, as borrower, and Nedbank, as lender, amongst others. The Company and certain of its subsidiaries have provided guarantees to obligations under the Nedbank Facility Agreement. The IDC subscribed to the CTA on March 27, 2023.

In terms of the CTA the Group must ensure the following financial covenants under this agreement, bi-annually:

- the net debt to earnings before interest, taxation, depreciation, and amortization ("EBITDA") ratio in respect of the measurement period shall be less than 2.50 times.
- the interest cover ratio in respect of the measurement period shall be greater than 4.00 times; and
- EBITDA in respect of any measurement period is not less than ZAR200 million (USD10.787 million).

(Expressed in United States Dollars, unless otherwise stated)

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

The Group did not meet the financial covenants, measured for the twelve (12) month period ended June 30, 2023:

Covenant	Ratio
Net debt to EBITDA ratio	1.84
Interest cover ratio	(5.75)
EBITDA	Negative ZAR259 million (USD11.722 million)

As at September 30, 2024, USD11.722 million (ZAR200 million) was outstanding under the credit facility with the IDC. The credit facility with Nedbank was suspended on August 15, 2023, and the outstanding amount of USD23.445 million (ZAR400 million) and interest accrued on the facility, was repaid on August 29, 2023.

The IDC provided a waiver of covenants which expired on March 31, 2024. On May 20, 2024 the IDC granted a waiver extension which will condone the breach in financial covenants until March 31, 2025. A penalty interest charge of 2% per annum was charged in addition to the interest rate of JIBAR [(a)] + 4% on the outstanding amount for the period the Company was in breach, July 1, 2023 to October 25, 2023.

Subsequent to the end of September 30, 2024 but prior to the expiry of the extended waiver, the IDC rolled this facility into a new Facility C; the IDC provided a separate and more substantial waiver as set out in the Waiver and Forbearance Letter on 24 December 2024, as part of the Capital Raise and alongside other creditors..

Going concern

Introduction

The IFRS Accounting Standards Conceptual Framework states that going concern is an underlying assumption in the preparation of IFRS financial statements. The financial statements' basis of preparation assumes that the reporting entity is a going concern and will continue operating for the foreseeable future. Accordingly, it is assumed that the entity has neither the intention nor the need to enter liquidation or to cease trading and, if that presumption is not valid, disclosure of the relevant facts and a different basis of preparation is required. For Sedibelo Resources Limited, Management and the Board of Directors (the "Board") believes that, as of the date of the approval of the financial statements, this presumption is appropriate and accordingly the financial statements have been prepared on a going concern basis.

The Group operates in a cyclical industry where levels of cash flow have historically been materially influenced by market prices for commodities and exchange rates; accordingly, when considering going concern, Management and the Board considers key assumptions, such as exposure to Platinum Group Metal ("PGM") prices and the South African Rand ZAR:USD exchange rate, in their cash flow forecasts. There has been a 37% decrease in the average PGM basket price for PPM from 2022 to 2023, showing a 7% improvement in 2024. However, year on year the Rand basket price was 1% lower than the comparative for 2023. The continued negative PGM prices and its effect on investment in PGM projects continues to have a negative impact on the profitability and liquidity position of the Group as of September 30, 2024 and for subsequent periods, despite the limitation of losses as a result of the curtailment of operations. Due to the decline in the PGM basket price, the low grade, high-cost East pit could not be operated profitably under current market conditions. In response, Management and the Board curtailed all remaining PPM operations at the end of November 2023, with the West pit being curtailed earlier at the end of October 2023. This consisted of the suspension of all mining activities and related contracts at PPM as well as the commencement of phase 2 of a labour force restructuring process in December 2023. This process was concluded on January 29, 2024.

The Group's ability to continue operating as a going concern is dependent upon the Group's ability to limit cash outflows from its suspended operations in order for the current cash balances to sustain operating activities up until the outcome of the drilling activities in relation to the agreements with a South African Chrome Producer and Offtaker ("Chrome Producer") noted below have been confirmed. This is further dependent on the Group's ability to obtain adequate equity and/or debt funding, and/or, alternatively, to dispose of its non- core properties, being the Mphahlele mining rights, or to dispose of property, plant and equipment initially purchased for the underground development operations that are currently on hold. As a result of the impact that the outcome of the drilling activities noted below will have on the expected future cash inflow from the Chrome producer related to the Mineral Processing and Offtake Agreement, a material uncertainty in relation to going concern has been identified.

Ability of the Group to continue as a going concern

In addition to the requirements of the Conceptual Framework noted above, IAS 1 - Preparation of Financial Statements, requires management to perform an assessment of the entity's ability to continue as a going concern. If Management and the Board are

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

aware of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, IAS 1 requires these material uncertainties to be disclosed.

Set out below are the factors considered by Management and the Board in concluding that the Group is a going concern:

Financial position

The Group had cash and cash equivalents of USD3.030 million and an accumulated loss of USD1.702 billion as of September 30, 2024. The Group recorded a net loss of USD72.885 million after tax for the year ended September 30, 2024. The Group's total assets of USD173.112 million exceed total liabilities of USD107.070 million as of September 30, 2024. Apart from cash and cash equivalents, the majority of the current assets of the Group consist of Inventories, Trade and other receivables and Non-current assets classified as held for sale of which Trade receivables and other receivables have been recovered subsequent to period end, certain inventory items and non-current assets held for sale have been sold subsequent to period end.

Liquidity and profitability

Management continues to monitor cash flows and liquidity daily across the Group, with oversight from the Board. This daily monitoring incorporates projections for the ensuing twelve months and is used to determine the actions required to optimise liquidity and minimise cash outflows on a timely basis. In assessing the appropriateness of preparing the consolidated annual financial statements on a going concern basis, Management and the Board analysed the Group's current commitments and planned cash flows to determine whether the Group will be able to meet its obligations as they become due and payable.

Curtailment budgets were prepared by Management and presented to the Board during December 2023, with the latest revision being in Q2 2025. These budgets and forecasts form the basis of Management and the Board's going concern assessment, and the emergency capital raise noted below. To ensure that all cash outflows are in line with planned expenditure, the Sedibelo Cost Committee ("SCC"), consisting of the CFO, CEO, Executive Director, and the Chairperson of the Board, was established. The SCC meets quarterly to review and approve expenditure ahead of the next quarter's expenses (including the approval of new contracts and the required instruction of current service providers). All unplanned expenditure needs to be submitted on an ad-hoc basis for the SCC's approval. Management also reports the Group's liquidity position with a liquidity analysis incorporated into a three month rolling cashflow forecast to Facility C lenders quarterly (Refer to the debt section in the table below) as well as providing cash and working capital balances of the Group monthly.

The budgets and forecasts are prepared using several estimates and judgements. The key estimates and judgements have been highlighted below:

1. The timing of the settlement of creditors related to community agreements.
2. The estimation of drilling costs related to drilling activities to be undertaken as part of the activities and conditions precedent to the Chrome Producer Contract Mining-, and Mineral Processing and Offtake Agreements. Refer below for the details on the Chrome Producer definitive agreements.
3. The current profit split to be received by the Group, which is based on net sales proceeds, for the contract mining services to be rendered by the Chrome Producer to the Group.

The suspension of the operations at PPM, the restructuring of the labour complement and force majeure notices issued for various agreements resulted in reduced cash outflow during 2024 and this is also planned for the foreseeable future. The planned ongoing cash outflows limits future spend to the following activities:

1. Protection of assets, including mining and prospecting rights, while the mining operations are curtailed;
2. Furthering and optimisation of the underground development plan including securing funding through equity and/or debt transactions; and
3. Maintaining the corporate and governance structure.

(Expressed in United States Dollars, unless otherwise stated)

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

Mitigating actions

Emergency capital raise

To support the immediate liquidity of the Group, existing lenders and shareholders were approached for additional funding. On January 20, 2025 the Group announced the successful completion of an emergency capital raise of USD19.062 million, constituted by way of the issue of USD10.062 million of equity in the form of new ordinary Group shares (the “Equity Raise”), and a USD9 million senior secured debt facility agreement (the “Debt Raise”, and together with the Equity Raise, the “Emergency Capital Raise”). The Emergency Capital Raise proceeds will be used for general working capital requirements and to progress the development of the Group. The proceeds have been fully received by the Group as at the date of the financial statements.

Set out below are the details of the above Emergency Capital Raise described:

Equity Raise	*The equity raise was subscribed to by certain existing and new shareholders of the Group residing outside of Canada by means of a private placement. The equity raise was executed at a price of USD0.00323 per Group ordinary share (the “Subscription Price”), valuing the Group (pre-raise) at a significantly discounted valuation of USD10 million. Equity raise participants have been granted underwriter options to subscribe to further Group shares, on the basis of one option issued for each share subscribed to. The pricing of the equity raise was determined following a series of consultations with the Group’s significant shareholders.* *The options provided as part of the Equity Raise provide the holders the right to subscribe to shares of the Group at an amount equal to the Subscription Price, with the exercise period being dependent on the specific options and the conversion terms stipulated in the subscription agreements. As at the date of these financial statements, these options have not been exercised. Refer Note 33, Events after reporting period.* *In addition to the above noted raise, the Industrial Development Corporation of South Africa (the “IDC”) agreed to convert ZAR50 million of the outstanding (ZAR200 million) senior secured revolving credit facility into ordinary shares of the Group. Refer below for the overall detail of the IDC participation.* *The Group is considering further capital raising activities, including the issuance of equity securities or rights to subscribe for equity securities, to shareholders of the Group that did not participate in the emergency capital raise.*
Debt raise	*On January 15, 2025, a senior secured loan agreement between Orion Blue Crane LLC (“Orion”), Pallinghurst PGM Limited (“PPGM”), and the IDC as lenders, the Group’s wholly owned operating subsidiary PPM as Borrower, and other entities of the Group as Guarantors (“Facility C”) became unconditional. Orion has committed USD8 million and PPGM USD1 million as USD Tranche Loans under Facility C, which amounts have been fully drawn down by PPM. Each of the lenders have been granted lenders’ options to subscribe to the Group’s shares at the Subscription Price for up to 50% of the amount of their loans drawn down under Facility C. As at the date of these financial statements, these options have not been exercised.* *Facility C USD Tranche Loans have an annual interest rate of SOFR plus 13%, capped at 18%, with all interest and principal being due and payable at the end of the 2-year Facility C term, being January 2027.* *For the Group to meet its short-term payment obligations, PPGM entered into an unsecured loan agreement with the Group, in December 2024, for an amount of USD2 million, the repayment of which will be made by way of offset against PPGM’s equity subscription under its equity subscription agreement.*

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

IDC's Participation

The IDC, as both a shareholder and lender of the Group, has given its support to the Emergency Capital Raise by agreeing to convert the ZAR200 million principal amount outstanding under the existing Facility B secured facility as follows:

1. ZAR50 million shall be converted into Group ordinary shares, such conversion being conditional on the IDC receiving South African Reserve Bank approval thereon, and
2. the remaining ZAR150 million of principal debt and accrued interest, up to the transaction closing date, on Facility B will be rolled over into Facility C as a Facility C ZAR Tranche loan, which will bear an annual interest rate of JIBAR plus 13%, capped at 21%, with all principal and interest thereon to be repaid at the end of the 2-year term of Facility C, being January 2027.

Notwithstanding the actions above that have been implemented, the current cash outflow, available cash balances, and mitigating future actions indicate a material uncertainty that the Group may not be able to continue as a going concern due to the cash runway being forecasted as being depleted by December 2025. In response, Management is actively implementing the following mitigating future actions:

- Actively marketing plant and equipment with an estimated sales value of USD3.498 million (ZAR59.680 million). Refer to note 8, *Non current Assets held for sale*.
- Continued work on the curtailment plan, which includes non-renewal, renegotiation and/or reduction of all contracts which become renewable, reaching out to suppliers to fund, defer or improve payment terms and further contain cost;
- Continued work on securing funding through a strategic partner for the underground development at PPM whilst continuing to refine the planning for the continuation of the underground project in the most effective manner.
- Restructuring and reducing operating and corporate cost; and
- Concluding all outstanding settlement actions with contractors and service providers.
- Delaying cost where possible to reduce cash outflows in the near term, which includes renegotiation of material agreements.

Underpinning the ability of Management and the Board to realise the Group's assets and discharge its liabilities in the normal course of business is two signed agreements entered into between PPM and the Chrome Producer. These agreements and their salient terms supporting the Group's assessment of going concern are highlighted below:

Contract Mining and Offtake Agreement

Under this agreement, the Chrome Producer will render mining services and offtake services to PPM for a fee, pursuant to which PPM will retain 10% of the net proceeds from the Run of Mine ("ROM") chrome mined. In consideration for the exclusive right over the specified mining area, the Chrome Producer will pay PPM an aggregate amount of ZAR110 million. This amount will be used to complete the geotechnical and economic viability reports. Subject to the outcome and evaluation thereof, continued and additional services will be provided, subject to the provision of additional funding, set out in the Mineral Processing and Offtake Agreement. The remaining conditions precedent as at the date of the signing of these financial statements is (i) having the Senior Lenders enter into a support letter on terms to the reasonable satisfaction of both PPM and the Chrome Producer, and (ii) an abandonment agreement for Ruighoek, expected to be concluded on or about June 30, 2025.

Mineral Processing and Offtake Agreement

Under this agreement the Chrome Producer will render mineral processing services to PPM for a fee, pursuant to which PPM will retain 10% of the net proceeds from the sale of chrome by PPM to the Chrome Producer. Subject to the outcome of the above-mentioned drilling activities, reports and evaluation thereof, the Chrome Producer will pay PPM an additional exclusivity amount of USD75 million that may only be used for the purposes of undertaking and completing the construction work required for the establishment of the underground portal and related mining works contemplated in the geotechnical and economic viability reports. The Chrome Producer will, at its own cost, construct and commission a chromite tailings treatment plant when steady state production in respect of the mining operations for the underground ore is achieved.

(Expressed in United States Dollars, unless otherwise stated)

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

Therefore, the receipt of this USD75 million exclusivity amount is dependent on the outcome of the drilling activities undertaken under the Contract Mining and Offtake Agreement. Should the outcome not be in line with the requirements of the Contract Mining and Offtake Agreement, PPM will not receive the USD75 million.

As there is an expectation that the support letter will be entered into by the Senior Lenders, it is Management and the Board's view that the going concern risk has been sufficiently mitigated, however a material uncertainty remains in the form of the likely outcome of the geotechnical and economic viability report results that will determine if PPM and the Group will receive the additional funding that will enable it to be able to continue operating as a going concern for the foreseeable future.

<u>Conclusion in respect of the material uncertainty relating to going concern</u>

A material uncertainty is an event or condition that may cast significant doubt on the Group's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The ability of the Group to repay debt as it becomes due is dependent on the timing and quantum of cash flows from operations, the successful raising of equity, the ability to realise cash through disposals of assets, and the turnaround initiatives noted above. The current liquidity dependencies of the Group indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

Management and the Board are of the view that the actions that have been implemented under challenging circumstances to achieve the initial Emergency Capital Raise to date, and those actions that are currently underway, if successfully executed, are sufficient to mitigate the identified going concern risks, however a material uncertainty remains. There is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Management and the Board have no intention to cease trading, or to liquidate the businesses, other than concluding orderly disposals that may be necessary to reduce debt. The Board remains focused on and committed to the turnaround strategy, the cost reduction plan, the successful completion of the required drilling activities for the Chrome Producer agreements, and a positive outcome to the geotechnical and economic viability reports, as well as further capital raises.

The Group's lenders and shareholders have over the last two years demonstrated commitment and ongoing support of the Group that is evidenced by the recent successful capital raise, updated Waiver and Forbearance letters approved and the signed term sheet with the Chrome Producer. Management and the Board, after carefully considering the detail and mitigating actions described above, has concluded that the Group is able to discharge its liabilities in the normal course of business, and are therefore of the view that the going concern assumption is appropriate in the preparation of the financial statements, although a material uncertainty exists in relation to the success of the geotechnical and economic viability reports described above and the ability to raise additional funds.

The following exchange rates to the US dollar have been applied:

	At Sep 30, 2024	Average nine months ended, Sep 30, 2024	Average three months ended, Sep 30, 2024	At Dec 31, 2023	Average nine months ended, Sep 30, 2023	Average three months ended, Sep 30, 2023
South African Rand (USD:ZAR)	17.06	18.48	17.97	18.54	18.35	18.65

a) *The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates ("IBORs") with alternative risk-free rates ("ARRs") to improve market efficiency and mitigate systemic risk across financial markets. SARB has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average ("ZARONIA") as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. ZARONIA has been published for the purpose of observing the rate and how it behaves but has not been formally adopted by the SARB as the successor rate to JIBAR. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.*

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

Property, plant and equipment

Depreciation and amortization are calculated on a units-of-production method for certain mining and plant assets and straight-line method for all other assets to write off the cost of the assets to their residual values over their estimated useful lives. Depreciation and amortization charge is adjusted for impairment in future periods to allocate the asset's revised carrying amount over its remaining useful life. The useful lives applicable to each category of property, plant and equipment are as follows:

Asset category	Useful life
Producing mines	Units of production (ore tonnes mined)
Pre-stripping costs	Units of production (ore tonnes mined)
Plant construction and mine development	Units of production (ore tonnes mined)
Deferred stripping costs	Units of production (ore tonnes mined)
Decommissioning assets	Units of production (ore tonnes mined)
Leased assets	10 years
Plant and equipment	Units of production (ore tonnes processed)
Buildings	20 years
Land	Indefinite
Other	
• Vehicles	5 years
• Computer equipment	3 years
• Office equipment	6 years
• Furniture and fittings	6 years
• Other equipment	5 years

3. Estimates

The preparation of condensed consolidated interim financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, other than the change in Life-of-mine ("LoM") for the West pit, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2023.

4. Change in accounting policy including initial adoption

New and amended standards adopted by the Group:

The Group applied the following amended standard for the first time for their annual reporting period commencing January 1, 2024:

- Amendment to IAS 1 – 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current

  The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. A number of requirements are required to be met in conjunction with this amendment.

- Amendments to IAS 1 – 'Non-current liabilities with covenants'

  These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

5. Mining assets

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Exploration and evaluation assets	11,900	10,401
Mineral properties and rights[(a)]	*71,393*	*63,136*
- Depreciable	12,450	8,889
- Non-depreciable	58,943	54,247
Balance at the end of the period	**83,293**	**73,537**

Reconciliation of mining assets:

	Exploration & evaluation assets USD'000	Non-depreciable mineral properties & rights USD'000	Depreciable mineral properties & rights USD'000	Total USD'000
COST				
Balance as at January 1, 2023	**15,444**	**626,424**	**21,717**	**663,585**
Additions	519	-	-	519
Reallocation from non-depreciable mineral properties and rights	-	(139,403)	139,403	-
Foreign exchange variance	(2,203)	(53,114)	(1,057)	(56,374)
Balance as at January 1, 2024	**13,760**	**433,907**	**160,063**	**607,730**
Additions	-	-	-	-
Foreign exchange variance	1,778	37,557	15,630	54,965
Balance as at September 30, 2024	**15,538**	**471,464**	**175,693**	**662,695**
ACCUMULATED AMORTIZATION AND IMPAIRMENTS				
Balance as at January 1, 2023	**-**	**-**	**(6,390)**	**(6,390)**
Amortization	-	-	(2,464)	(2,464)
Impairment[(a)]	(3,371)	(508,312)	(16,926)	(528,609)
Foreign exchange variance	12	128,652	(125,394)	3,270
Balance as at January 1, 2024	**(3,359)**	**(379,660)**	**(151,174)**	**(534,193)**
Amortization[(b)]	-	-	938	938
Foreign exchange variance	(279)	(32,861)	(13,007)	(46,147)
Balance as at September 30, 2024	**(3,638)**	**(412,521)**	**(163,243)**	**(579,402)**
CARRYING AMOUNTS				
Balance as at January 1, 2023	**15,444**	**626,424**	**15,327**	**657,195**
Balance as at January 1, 2024	**10,401**	**54,247**	**8,889**	**73,537**
Balance as at September 30, 2024	**11,900**	**58,943**	**12,450**	**83,293**

The credit facilities (note 16) and stream prepayment (note 21) are secured by Mineral properties and rights.

a) Refer to note 32 *Impairment.*
b) Amortization has been corrected to consider the impairment that was passed on September 30, 2023.

6. Intangible assets

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Water pipeline	8,693	8,287
ERP software	2,827	3,329
Computer software	308	504
Development costs	668	17
Balance at the end of the period	**12,496**	**12,137**

Reconciliation of intangible assets:

	Water Pipeline[a] USD'000	ERP Software USD'000	Computer software USD'000	Development costs[c] USD'000	Power and water rights[d] USD'000	Total USD'000
COST						
Balance as at January 1, 2023	**23,969**	**1,037**	**1,984**	**8,438**	**17,402**	**52,830**
Additions	-	2,076	2,224	-	-	4,300
Reclassification [b]	-	545	(1,909)	-	-	(1,364)
Foreign exchange variance	(2,036)	(104)	(172)	(59)	(1,478)	(3,849)
Balance as at January 1, 2024	**21,933**	**3,554**	**2,127**	**8,379**	**15,924**	**51,917**
Additions	-	-	-	-	-	-
Foreign exchange variance	1,113	404	185	657	1,378	3,737
Balance as at September 30, 2024	**23,046**	**3,958**	**2,312**	**9,036**	**17,302**	**55,654**
ACCUMULATED AMORTIZATION AND IMPAIRMENTS						
Balance as at January 1, 2023	**(4,202)**	**(98)**	**(1,393)**	**(7,748)**	**(17,402)**	**(30,843)**
Amortization	(269)	(228)	(115)	-	-	(611)
Write-off	-	91	-	-	-	91
Reclassification	-	-	971	-	-	971
Impairment[e]	(9,590)	-	(1,199)	(618)	-	(11,408)
Foreign exchange variance	415	9	114	4	1,478	2,020
Balance as at January 1, 2024	**(13,646)**	**(226)**	**(1,623)**	**(8,362)**	**(15,924)**	**(39,780)**
Amortization	(327)	(818)	(208)	-	-	(1,353)
Foreign exchange variance	(380)	(87)	(173)	(6)	(1,378)	(2,024)
Balance as at September 30, 2024	**(14,353)**	**(1,131)**	**(2,004)**	**(8,368)**	**(17,302)**	**(43,158)**
CARRYING AMOUNTS						
Balance as at January 1, 2023	**19,767**	**939**	**591**	**690**	**-**	**21,987**
Balance as at January 1, 2024	**8,287**	**3,329**	**504**	**17**	**-**	**12,137**
Balance as at September 30, 2024	**8,693**	**2,827**	**308**	**668**	**-**	**12,496**

6. Intangible assets (continued)

a) The Company co-funded the cost to construct a water pipeline that brings water from the Vaalkop dam to the PPM site. The agreement gives the Company the right of use for a set volume water per day over the LoM.

b) The reclassification was to computer hardware, under “other” in note 7.

c) The development costs previously capitalised against the Rados project was fully impaired during the 2022 financial year end, because of the Rados project being placed on care and maintenance. The Rados project was intended to improve material recovery in the plant. Based on the current mining operations, the system was not fit to use at the low volumes of mining planned and as a result the asset was impaired.

d) These rights were impaired in 2012, due to the uncertainty regarding timing to develop, use and benefit from these rights. The impairment may be reversed in the event that management has certainty around the timing of development and the use of benefits from the rights.

e) Refer to note 32 *Impairment.*

(Expressed in United States Dollars, unless otherwise stated)

7. Property, plant and equipment

	Producing Mines USD'000	Plant construction and mine development USD'000	Pre-stripping assets USD'000	Deferred stripping assets USD'000	Decom-missioning assets USD'000	Right-of-use assets USD'000	Plant and equipment USD'000	Land and buildings USD'000	Other USD'000	TOTAL USD'000
COST										
Balance as at January 1, 2023	**5,327**	**106,465**	**100,541**	**43,441**	**9,804**	**3,927**	**157,230**	**6,224**	**9,020**	**441,979**
Additions	-	82,623	-	-	-	-	6,371	176	2,953	92,123
Change in estimate	-	-	-	-	2,388	-	-	-	-	2,388
Reclassifications[(b)]	137,692	(137,692)	-	-	-	-	5,859	1,067	(5,561)	1,365
Disposals	-	-	-	-	-	-	(1,277)	-	(6)	(1,283)
Foreign exchange variance	(1,261)	(8,721)	(8,541)	(3,690)	(848)	(334)	(13,215)	(537)	(964)	(38,111)
Balance as at January 1, 2024	**141,759**	**42,675**	**92,000**	**39,751**	**11,344**	**3,593**	**154,967**	**6,930**	**5,442**	**498,461**
Additions	-	-	-	-	-	-	-	-	-	-
Reclassification	-	(153)	-	-	-	-	-	-	153	-
Transfer to non-current asset held for sale	-	-	-	-	-	-	(9,484)	-	-	(9,484)
Write-off	(240)	-	-	-	-	-	-	-	-	(240)
Disposal		-	-	-	-	-	(190)	-	(850)	(1,040)
Foreign exchange variance	12,250	2,958	7,963	3,441	982	311	12,436	514	339	41,194
Balance as at September 30, 2024	**153,769**	**45,480**	**99,963**	**43,192**	**12,326**	**3,904**	**157,729**	**7,444**	**5,084**	**528,891**
ACCUMULATED DEPRECIATION AND IMPAIRMENTS										
Balance as at January 31, 2023	**(4,994)**	**-**	**(86,599)**	**(37,185)**	**(6,943)**	**(3,027)**	**(110,725)**	**(985)**	**(5,608)**	**(256,066)**
Depreciation for the year[(a)]	(4,235)	-	(307)	(126)	(225)	(155)	(2,423)	(210)	(227)	(7,909)
Reclassifications[(b)]	-	-	-	-	-	-	(1,462)	(13)	505	(971)
Impairment[(c)]	(131,848)	(40,850)	(12,527)	(5,632)	-	(620)	(20,467)	(2,030)	(1,295)	(215,267)
Disposals	-	-	-	-	-	-	295	-	6	301
Foreign exchange variance	1,222	240	7,433	3,192	591	323	7,296	95	2,637	23,029
Balance as at January 1, 2024	**(139,855)**	**(40,610)**	**(92,000)**	**(39,751)**	**(6,577)**	**(3,479)**	**(127,486)**	**(3,143)**	**(3,982)**	**(456,883)**
Depreciation	3	-	-	-	(345)	-	(1,859)	(149)	(254)	(2,604)
Transfer to non-current asset held for sale	-	-	-	-	-	-	1,942	-	-	1,942
Disposals	-	-	-	-	-	-	450	-	668	1,118
Foreign exchange variance	(12,104)	(3,515)	(7,963)	(3,441)	(598)	(301)	(10,054)	(285)	(379)	(38,640)
Balance as at September 30, 2024	**(151,956)**	**(44,125)**	**(99,963)**	**(43,192)**	**(7,520)**	**(3,780)**	**(137,007)**	**(3,577)**	**(3,947)**	**(495,067)**
CARRYING AMOUNTS										
Balance as at January 1, 2023	**333**	**106,465**	**13,942**	**6,256**	**2,861**	**900**	**46,505**	**5,239**	**3,412**	**185,913**
Balance as at January 1, 2024	**1,903**	**2,065**	**-**	**-**	**4,766**	**114**	**27,481**	**3,787**	**1,462**	**41,578**
Balance as at September 30, 2024	**1,813**	**1,355**	**-**	**-**	**4,806**	**124**	**20,722**	**3,867**	**1,137**	**33,824**

7. Property, plant and equipment (continued)

The credit facilities (note 16) and stream prepayment (note 21) are secured by PPM's moveable assets included in Property, Plant and Equipment.

a) Depreciation includes depreciation capitalised to relating the Sedibelo-Magazynskraal underground project of USD1.2 million during 2023.
b) The reclassifications include the following:
  - Reclassification from capital-in-progress to land and buildings and other property, plant and equipment once the assets were ready for use.
  - Reclassification of the East pit cost capitalised in 'Plant construction and mine development' to 'Producing mines' after it reached steady state production on October 1, 2023. The East pit production for mining and processing volumes for the months of July to September 2023 was consistently at the planned monthly throughput, producing consistent levels of 4E ounces.
c) Refer to note 32 *Impairment*.

(Expressed in United States Dollars, unless otherwise stated)

8. Non-current Assets held for sale

On March 20, 2024 management committed to plan to sell certain Mobile Plant and Machinery acquired for the future underground development which will not be required for use in the near term. Accordingly, a portion of the Mobile Plant and Machinery asset class was reclassified as held for sale under IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations.* The Mobile Plant and Machinery asset class comprised of items such as a mobile cranes, underground utility vehicles, cassettes, dump trucks and other underground machinery.

The decision to reclassify a portion of the Mobile Plant and Machinery asset class to held for sale formed part of the mitigating actions implemented by management, to reduce the risk on the Group's going concern assumption.

The sale of the assets classified as held for sale is expected to be completed within a year of obtaining board approval, therefore March 19, 2025.

Mobile Plant and Machinery transferred from Property, Plant and Equipment to Non-current Assets held for sale were as follows:

	Sep 30, 2024 USD'000	**Dec 31,2023** USD'000
Transfer from Property, Plant and Equipment – Cost	9,484	-
Transfer from Property, Plant and Equipment – Accumulated Depreciation	(1,942)	-
Fair Value Adjustment	(586)	-
Disposal	(4,175)	-
Foreign exchange variance	624	-
Balance as at September 30, 2024	**3,405**	**-**

9. Loans receivables

	Sep 30, 2024 **USD'000**	**Dec 31,2023** **USD'000**
Non-current assets	**341**	**965**
Kelltech Limited ("Kelltech")[(a)]	-	-
Kellplant Proprietary Limited[(b)]	-	-
Magalies Water[(c)]	341	965
Current assets	**-**	**803**
Phakamani Impact Capital Proprietary Limited ("Phakamani")[(d)]	-	803
Balance at the end of the period	**341**	**1,768**

(a) The loan bears interest at the Secured Overnight Financing Rate ("SOFR") + 3%. The loan is to be repaid from the proceeds generated by the Kell beneficiation plant through royalty payments. There is no certainty of financing for this project and the subsequent cashflows to Kelltech at this time and therefore the ability of Kelltech to repay its debts is uncertain.

	Sep 30, 2024 **USD'000**	**Dec 31,2023** **USD'000**
Loan to Kelltech Limited ("Kelltech")		
Opening Balance	-	11,544
Interest accrued	879	1,104
Loans advanced	-	-
Foreign currency (loss)/gain	-	(682)
Application of Equity Accounting on loan receivable	-	(1,596)
Expected credit loss	(879)	(10,370)
Balance at the end of the period	**-**	**-**

9. Loans receivables (continued)

(b) The loan bears interest at South African prime overdraft rate plus 3.5%. The loan is to be repaid from the proceeds received from Debt- and Equity funding to Kellplant Proprietary Limited. There is no certainty of financing for this project at this time and therefore the ability of Kellplant to repay its debts is uncertain.

An evaluation was performed of the ECL based on the loans' receivable as at December 31, 2023. Management assessed the loan to Kelltech and Kellplant and concluded that the loans may not be recoverable; the loan to Kelltech will be recovered from anticipated profits once the Kell beneficiation plant is commissioned and the Kellplant loan from Debt- and Equity funding. The timing of this is uncertain. An ECL for Kelltech and Kellplant of USD11 million and USD9 million, respectively was recognised during 2023.

	Sep 30, 2024 USD'000	Dec 31,2023 USD'000
Loan to Kellplant Proprietary Limited		
Opening Balance	-	8,518
Interest accrued	1,093	1,255
Loans advanced	-	-
Foreign currency (loss)/gain	-	(678)
Expected credit loss	(1,093)	(9,095)
Balance at the end of the period	**-**	**-**

(c) The loan is interest free, has variable terms of repayment calculated by amortising the loan based on the monthly units of water consumed. The current balance is based on the usage records received from Magalies Water. There is a dispute regarding the usage presented. This loan amount may be understated due to incorrect usage records presented by Magalies Water.

The loan to Magalies Water will be recovered in full as the Company has the right to offset all water consumption against the loan advanced.

(d) The loan was granted as part of a revolving loan scheme to qualifying Small, Medium and Micro Enterprises ("SMMEs"). The loan was interest free and had to be repaid upon settlement of the loans granted by Phakamani to third parties. At December 31, 2023 there was uncertainty of the recoverability of USD342 thousand because of the suspension of the open pit operations and consequently the services from suppliers owing this amount.

Management further assessed the loan to Phakamani and concluded that the loan may not be recovered in full since the loans were granted to vendors of the Group, with the repayment of the loans being linked to payments made by the Group to the relevant vendors. The suspension of the open pit operations in turn suspended any business and cashflow from PPM to the vendors. Their ability to repay these outstanding amounts is uncertain and therefore an ECL was recognised in prior period.

10. Cash and cash equivalents, restricted investments and guarantees

10.1 Restricted investments and guarantees

Cash investments were made relating to certain guarantees required by the Republic of South Africa's Department of Mineral and Petroleum Resources ("DMPR") and ESKOM Holdings Limited ("Eskom"), the South African state utility supplier, of which the details are as follows:

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the end of the period	**23,628**	**19,507**

The DMPR requires rehabilitation guarantees for all prospecting and mining rights. These rehabilitation guarantees primarily relate to the mining rights for the PPM and Mphahlele Projects. These guarantees have been provided to the DMPR on two separate bases:

10. Cash and cash equivalents, restricted investments and guarantees (continued)

10.1 Restricted investments and guarantees (continued)

On an insurance basis with a portion of the total guarantee being paid over in a separate bank account controlled by the Group and ceded in favour of the insurance company and the remaining portion paid in premiums over the expected LoM; and on a cash backed basis.

Eskom requires a guarantee to be furnished as security for the payment due on the electricity account.

As at September 30, 2024, the Group had USD33.074 million (December 31, 2023: USD30.436 million) in guarantees to the DMPR and USD5.654 million (December 31, 2023: USD5.203 million) to Eskom, of which USD23.628 million (December 31, 2023: USD19.507 million) is funded.

10.2 Cash and cash equivalents

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the end of the period	**3,030**	**17,725**

Cash at banks predominantly earns interest at floating rates. Cash is deposited at highly reputable financial institutions within the Republic of South Africa and in the United Kingdom. The fair value of cash and cash equivalents equates to the values as disclosed in this note due to short maturity.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise only the cash at bank and financial institutions or asset managers and are disclosed for each year end above.

11. Inventories

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Ore stockpiles	900	827
Consumables	10,072	10,826
Balance at the end of the period	**10,972**	**11,653**

Refer to note 25 for the inventory cost that forms part of the cost of operations.

12. Trade and other receivables

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Trade receivables measured at fair value[(a)]	-	22,066
Trade receivables measured at amortised cost[(a)]	27	11,683
Other receivables[(b)]	2,096	77
Balance at the end of the period	**2,123**	**33,826**

a) None of the trade receivables balances are past due.

b) Other receivables include vat receivables and prepayments.

13. Investment in joint venture

Management have accounted for its interest in KellTech as a joint venture through the equity method of accounting due to the nature of the joint arrangement. The joint venture has share capital consisting solely of ordinary shares, which is held directly by the Group:

Name of entity	Country of incorporation	% of ownership interest	Nature of relationship	Measurement method
Kelltech Limited	Mauritius	50	Provides access to new technology to the SRL Group	Equity

Investment in joint venture

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
January 1	-	-
Share of loss from joint venture	(772)	(11,082)
Foreign exchange gain on investment in joint venture	510	(362)
Share of other comprehensive expense	14,243	1,669
Application of Equity Accounting on loan receivable	(13,981)	9,775
Investment in joint venture value	**-**	**-**

Details of joint venture

Summarised financial and profit or loss information in respect of Kelltech reflecting 100% of the joint venture is set out below:

Summarised balance sheet	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Non-current assets	2,199	-
Current assets	1,106	2,037
Non-current liabilities	(745)	(17,207)
Current Liabilities	(11,644)	(10,528)
The above assets and liabilities include the following:		
Cash and cash equivalents	1,066	1,833
Net liabilities value	**(8,018)**	**(23,865)**
SRL ownership interest	50%	50%

Summarised statement of comprehensive loss		
Loss for the period	(1,565)	(22,164)
Other comprehensive loss	28,487	3,338
Total comprehensive profit/(loss)	**26,922**	**(18,826)**
The above loss for the period includes the following:		
Finance income	1,034	123
Finance expense*	(939)	(1,223)

* Including interest accrued to the Group.

(Expressed in United States Dollars, unless otherwise stated)

14. Share capital

14.1 Common shares authorized

The Company has an unlimited number of authorised common shares with no par value.

14.2 Common shares issued

	Number of shares	Amount USD'000
Balance as at January 1, 2023	**3,095,401,663**	**2,549,583**
Balance as at January 1, 2024	**3,095,401,663**	**2,549,583**
Balance as at September 30, 2024	**3,095,401,663**	**2,549,583**

15. Non-controlling interests

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Mahube Mining Proprietary Limited	3,425	3,080
Tameng Mining and Exploration Proprietary Limited	5,304	4,936
Taung Platinum Exploration Proprietary Limited	1,014	957
Balance at the end of the period	**9,743**	**8,973**

16. Credit facilities

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Credit facility with Nedbank [a]	-	-
Credit facility with the IDC [b]	11,722	10,789
Balance at the end of the period	**11,722**	**10,789**

a) On July 15, 2022, PPM, as borrower, and Nedbank, as lender and facility agent, entered into an agreement whereby it was granted a senior secured revolving credit facility in an aggregate amount equal to USD29.305 million (ZAR500 million) for a period of 3 (three) years. The facility had to be used for working capital purposes. Interest was calculated on each advance at JIBAR plus a margin. An interest period of 1 (one) month, 3 (three) months or 6 (six) months were selected upon the utilization request of the loan and interest accrued from the utilization date of the loan.

A commitment fee of 30% of a 3.5% margin per annum was payable on the available facility that has not been utilized and was payable on the last day of each successive period of three (3) months. The margin varied between 3.5% and 3.8% depending on the Company's status as a listed or unlisted entity as well as the amount of capital raised in such a listing on a recognized stock exchange. The fees were expensed as incurred.

The facility was subject to the Common Terms Agreement (refer section 28.1) entered into on July 15, 2022, between the Company, as borrower, and Nedbank, as lender, amongst others. The Company and certain of its subsidiaries have provided guarantees of obligations under the Nedbank facility agreement. As a result of certain covenants of the Common Terms Agreement being breached on June 30, 2023, Nedbank suspended the facility on August 15, 2023, and the outstanding amount of USD23.444 million (ZAR400 million) and interest accrued on the facility, was repaid on August 29, 2023. Nedbank has confirmed with PPM's agreement that the facility will remain in place in its current suspended form. PPM will not incur any commitment fees whilst it is suspended.

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the beginning of the period	-	17,696
Drawdown	-	5,426
Repayment	-	(21,705)
Interest accrued	-	(10)
Subtotal	-	1,408
Foreign exchange variance	-	(1,408)
Balance at the end of the period	**-**	**-**

16. Credit facilities (continued)

b) On March 27, 2023, PPM, as borrower, and the IDC, as lender and Nedbank as facility agent, entered into an agreement whereby it was granted a senior secured revolving credit facility for an aggregate amount equal to USD29.305 million (ZAR500 million) for a period of 5 (five) years. The facility is to be used for working capital purposes. Interest is calculated monthly on each advance at JIBAR plus a margin of 4%. On March 31, 2023, a drawdown of USD11.722 million (ZAR200 million) was made.

The IDC credit facility is subject to the Common Terms Agreement (refer note 30.1) entered into on July 15, 2022, between PPM as the borrower and the IDC as the lender amongst others. The IDC subscribed to the CTA on March 27, 2023.

On November 22, 2023, management received a waiver of the breach of covenants from the IDC that was effective until March 31, 2024. The IDC acceded a waiver extension sought and condoned the breach in Financial covenants for all measurement periods until March 31, 2025 (includes the June 2024 and December 2024 periods). The IDC levied a default interest, which is 2% higher per annum than the rate applied for the period the Company was in breach. A Waiver and forbearance letter in respect of this Facility Agreement was entered into. *Refer note 33, Events after reporting period.*

On January 15, 2025, as part of the capital raise of debt and equity, the IDC agreed to convert USD2.930 million (ZAR50 million) outstanding under Facility B into Sedibelo ordinary shares, at the same subscription price of USD0.00323 per share as the remainder of the equity raise, and which debt to equity conversion is conditional on the approval of the South African Reserve Bank. On the same date, the IDC entered into a new Facility C agreement with other lenders, pursuant to which the IDC converted the remaining outstanding amount under Facility B (USD8.791 million (ZAR150 million) and outstanding interest), to the new Facility C, which ranks senior to all other debt. Upon receipt of the South African Reserve Bank approval for the conversion of the USD2.930 million (ZAR50 million) into Sedibelo ordinary shares, Facility B will automatically terminate. *Refer note 33, Events after reporting period.*

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the beginning of the period	10,789	-
Drawdown	-	10,583
Transaction fees	-	270
Interest accrued	1,012	995
Interest paid	(1,012)	(995)
Commitment fees accrued	80	121
Commitment fees paid	(80)	(121)
Foreign exchange variance	933	(64)
Balance at the end of the period	**11,722**	**10,789**

17. Decommissioning and rehabilitation provision

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
DISCOUNTED		
Balance at the beginning of the period	23,321	20,774
Unwinding of discount (accretion)	1,688	1,951
Change in estimate and current period additions	-	2,388
Subtotal	25,009	25,113
Foreign exchange variance	2,157	(1,792)
Balance at the end of the period	**27,166**	**23,321**

Assumptions and inputs used in determining the asset retirement obligation:

	Sep 30, 2024	Dec 31, 2023
ZAR discount rate	11.75%	11.75%
Inflation rate[(a)]	5.5%	5.5%
LoM years[(b)] – West Pit	11	11
LoM years[(c)] – East Pit	11	11

17. Decommissioning and rehabilitation provision (continued)

Management performed sensitivity analyses on the assumptions and inputs used in determining the asset retirement obligation and concluded that these changes won't be material.

(a) Inflation rate used is an inflation rate at a point in time based on the South African Consumer Price Index ("CPI").

(b) The open pits are mined as a single cash generating unit. Due to the layout of the pits decommissioning and rehabilitation of the West Pit will only commence once the East Pit LoM comes to an end and as such the West Pit LoM is aligned to the East Pit for purposes of assessing the decommissioning and rehabilitation liability.
Although it is not currently economically feasible to mine the West Pit, the applicable reserves have not diminished.

(c) Although it is not currently economically feasible to mine the East Pit, the applicable reserves have not diminished.

18. Borrowings

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Loan from Corridor Mining Resources Proprietary Limited [a]	6,588	5,554
Balance at the end of the period	**6,588**	**5,554**

(a) Corridor Mining Resources Proprietary Limited is a wholly owned subsidiary of Limpopo Economic Development Agency, an agency of the Limpopo Provincial Government, Republic of South Africa.

The long-term loan bears interest at South African prime overdraft rate until otherwise agreed by the shareholders. The loan is to be repaid from the proceeds generated by the Mphahlele project in Tameng Mining and Exploration Proprietary Limited, a subsidiary of Mahube Mining Proprietary Limited.

19. Cash-settled share-based payment obligations

The following table summarises the movements relating to the share-based payment scheme:

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the beginning of the year	-	6,600
Cash-settled share-based payment recognised	-	6,083
Cash-settled share-based payment paid	-	(1,074)
Cancellation of share-based payments [a]	-	(2,443)
Foreign exchange variance	-	(477)
Accelerated vesting [b]	-	(8,689)
Balance at the end of the year	**-**	**-**
Less: Current portion of share-based liability	**-**	**(1,775)**
Accelerated vesting [b]	-	**1,775**
Non-current portion of share-based payment liability	**-**	**-**

(a) Performance related and IPO milestone units were cancelled in 2023 because of not meeting performance criteria set and the Company abandoning the IPO workstream as a result of market conditions.

(b) On December 5, 2023 the scheme rules changed to measure the cash-settled instruments at a fixed value of ZAR 8.68 per unit. This change resulted in a change in the nature of the share-based payment arrangement to an employee benefit in the scope of IAS 19 Employee Benefits.

The fair value immediately prior to the change was measured at a fair value of ZAR8.68 per unit. The fair value at date of modification was fixed to ZAR8.68 per unit . The derecognition of the share-based payment will not have a result on the profit/(loss) of the Group.

20. Employee Benefits

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Net defined benefit asset	-	-
Total employee benefit asset	**-**	**-**
Net defined benefit liability	-	-
Long term employee benefit liability	15,018	8,689
Total employee benefit liability	**15,018**	**8,689**

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Non-current employee benefit liability[(a)]	15,018	6,914[(a)]
Current employee benefit liability	-	1,775
Total employee benefit liability	**15,018**	**8,689**

(a) Discounting has not been applied to the non-current employee benefit liability at December 31, 2023 due to the liability being fair valued before recognition as a non-current employee benefit liability.

The following table summarises the movements relating to the Employee benefits:

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Opening balance	8,689	-
Transfer from Share-based payments through accelerated vesting (note 19)	-	8,689
Movements	5,152	-
Foreign exchange variance	1,177	-
Closing balance	**15,018**	**8,689**

21. Stream prepayment

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the end of the period – Non-current	**40,476**	**47,763**

The stream prepayment comprised of the following:

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Opening balance	47,763	91,065
Principal repayment	42	(5,622)
Fair value adjustment	(7,447)	(39,586)
Fair value adjustments recognised in profit or loss[(a)]	1,438	(58,182)
Fair value adjustments recognised in other comprehensive income[(b)]	(8,980)	17,698
Amortising of day one fair value adjustment[(c)]	95	898
Subtotal	**40,358**	**45,856**
Foreign exchange variance [(d)]	118	1,907
Balance at the end of the period	**40,476**	**47,763**

(a) The fair value movement recognised in profit or loss for the current period was mainly due to a decrease in the spot prices and the long term forecast in commodity prices;
(b) The fair value movement recognised in other comprehensive income for the current period was due to an increase in the Company's credit spread from 7% as at December 31, 2023 to 10% for the period ended September 30, 2024.
(c) The day one fair value adjustment will be recognized over the period of the agreements (based on the % ounces delivered over the term of the agreements).
(d) The foreign exchange loss is because of the stream prepayment paid to Sedibelo Group Services Proprietary Limited ("SGS") which functional currency is the ZAR.

(Expressed in United States Dollars, unless otherwise stated)

22. Trade payables and accrued liabilities

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Trade payables and accrued expenses	6,100	14,381
Balance at the end of the period	**6,100**	**14,381**

The fair value of trade and other payables approximate the carrying value due to the short maturity.

23. Revolving commodity facility ("RCF")

Investec Bank Limited ("Investec") approved a Rand denominated revolving commodity finance facility of up to USD27.500 million (ZAR509.850 million) for the financing of concentrate deliveries. The outstanding balance bears interest at JIBAR plus 1.50% (JIBAR + 0.50% up to November 2022) and was available up to March 31, 2024.

In terms of this facility Investec Bank Limited will finance up to 91% of Company's platinum, palladium and rhodium deliveries. PPM cedes on an out-and-out basis to Investec all rights to payments under its offtake agreements with Impala Limited and Northam Platinum Limited until the corresponding liability is settled. This facility is repaid within 2 to 4 months upon which the funds are again available for draw-down. On settlement date, the drawdown is revalued using average commodity prices and exchange rates for the calendar month before settlement date.

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Balance at the beginning of the period	14,266	20,157
Repayment of drawdown	(2,186)	(82,786)
Drawdown from the facility	-	76,223
Fair value adjustments to the balances outstanding	(11,915)	73
IFRS 9 Fair value adjustment	-	1,409
Interest accrued	98	953
Subtotal	263	16,029
Foreign exchange variance	(263)	(1,763)
Balance at the end of the period	**-**	**14,266**

24. Revenue

	For the three months ended		For the nine months ended	
	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
Platinum	-	17,822	1,357	43,480
Palladium	-	10,896	175	21,998
Rhodium	-	7,856	(171)	20,090
Gold	-	1,206	44	2,886
Revenue from 4E minerals	**-**	**37,780**	**1,405**	**88,454**
Other minerals	-	7,866	(143)	15,240
Total revenue from contracts with customers	**-**	**45,646**	**1,262**	**103,694**
Commodity price adjustment	-	(4,084)	(655)	(5,224)
Total revenue as per statement of profit or loss	**-**	**41,562**	**607**	**98,470**

Revenue amounts for the three- and nine-month periods ended was pipeline adjustments for price and quantity that settled on deliveries made in 2023. Revenue was from Impala, Northam and minor off-spec chrome sales at the spot market in 2023.

(Expressed in United States Dollars, unless otherwise stated)

25. Cost of operations

	For the three months ended		For the nine months ended	
	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
On-mine operations				
Total materials and mining costs	(402)	(4,951)	(2,263)	(20,864)
Concentrator plant operations				
Materials and other costs	(268)	(6,376)	(2,110)	(24,597)
Utilities	(921)	(6,384)	(2,632)	(14,041)
Beneficiation				
Smelting and refining costs	(1)	(2,441)	(70)	(5,673)
Other				
Transport	-	(86)	-	(315)
Salaries	(719)	(4,808)	(4,167)	(14,556)
Severance Pay	(53)	-	(3,820)	-
Third party RoM material purchased	-	-	-	(2,942)
Sub-total	**(2,364)**	**(25,046)**	**(15,062)**	**(82,988)**
Amortization and depreciation of operating assets	(1,306)	(933)	(954)[(a)]	(3,090)
Inventory adjustments	(85)	124	(238)	(1,073)
Total cost of operations	**(3,755)**	**(25,855)**	**(16,254)**	**(87,151)**

(a) Year-to-date balance includes the write-back of amortisation on mining assets corrected to consider the impairment that was passed on September 30, 2023.

26. Operating profit/(loss)

	For the three months ended		For the nine months ended	
	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
Operating profit/(loss) includes:				
Admin and general expenses	*(4,461)*	*(10,253)*	*(21,617)*	*(36,507)*
Amortisation and depreciation	(167)	(459)	(1,914)	(853)
Audit fees	(36)	(151)	48[(a)]	(543)
Community projects	(195)	(929)	(731)	(3,029)
Consulting and professional fees	(1,123)	(474)	(2,404)	(7,597)
Employee expenses	(1,102)	(4,736)	(3,646)	(15,273)
Employee benefit expense	(419)	-	(5,152)	-
Severance Pay	(12)	-	(865)	-
Insurance fees	(194)	(333)	(595)	(948)
IT related costs	(201)	(351)	(561)	(1,137)
Learnerships & bursaries	(15)	(147)	(103)	(661)
Senior debt costs	(27)	(661)	(132)	(886)
Other admin and general expenses	(455)	(1,249)	(3,946)	(3,500)
Royalty expense	(1)	(162)	(102)	(486)
Security	(514)	(601)	(1,514)	(1,594)
Fair value gain	(17,735)	5,048	(1,530)	66,653
Foreign exchange (loss)/gain	9,204	(178)	(33,042)	(6,103)
Impairments	-	(723,586)	-	(759,298)
Other income/(expenses)	(1,721)	161	(704)	(628)

(a) Audit fees were accrued for at December 31, 2023. The accrual reversed during the 9-month period ending September 30, 2024.

(Expressed in United States Dollars, unless otherwise stated)

27. Earnings per share

Basic and diluted earnings per share

	For the three months ended Sep 30, 2024	Sep 30, 2023	For the nine months ended Sep 30, 2024	Sep 30, 2023
Number of ordinary shares in issue outside the Group (note 14)	3,095,401,663	3,095,401,663	3,095,401,663	3,095,401,663
Weighted average number of ordinary shares in issue for basic earnings	3,095,401,663	3,095,401,663	3,095,401,663	3,095,401,663
Weighted average number of ordinary shares in issue for diluted earnings	3,095,401,663	3,095,401,663	3,095,401,663	3,095,401,663
	USD'000	**USD'000**	**USD'000**	**USD'000**
(Loss)/profit attributable to the owners of the Company	(18,517)	(710,263)	(72,115)	(714,182)
Basic earnings per share (cents)	**(0.60)**	**(22.95)**	**(2.33)**	**(23.07)**
Diluted earnings per share (cents)	**(0.60)**	**(22.95)**	**(2.33)**	**(23.07)**

(a) The Group had no dilutive instruments in place at September 30, 2024. SRL issued shares and warrants/options on January 15, 2025 that will be dilutive to shareholders. See Note 33. *Events after the reporting date*.

28. Segmental information

The segment information provided to the Chief Operating Decision Maker ("CODM") for the reportable segment for the period ended September 30, 2024, and 2023 were as follows:

	For the three months ended Sep 30, 2024 USD'000	Sep 30, 2023 USD'000	For the nine months ended Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
Mining				
External revenues	-	41,562	607	98,470
Depreciation and amortization	(1,473)	(1,396)	(2,869)	(3,943)
Income tax credit/(expense)	-	2,362	(1)	8,235
EBITDA	(17,373)	(711,961)	(70,444)	(721,839)

All revenues reported are from Northam and Impala and minor off-spec chrome sales at the spot market.

Reportable segment reconciliation of (loss)/profit for the period to EBITDA:

	For the three months ended Sep 30, 2024 USD'000	Sep 30, 2023 USD'000	For the nine months ended Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
Mining				
Loss) for the year	(18,786)	(710,497)	(72,885)	(714,846)
Income tax	-	(2,362)	-	(8,235)
Depreciation and amortization	1,473	1,396	2,896	3,943
Net finance income	(59)	(497)	(428)	(2,700)
Total EBITDA for reportable segment	**(17,372)**	**(711,960)**	**(70,417)**	**(721,838)**

(Expressed in United States Dollars, unless otherwise stated)

28. Segmental information (continued)

The segment information for the reportable segment for the period ended September 30, 2024, and December 31, 2023 were as follows:

Mining	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Total assets	173,112	211,731
Total liabilities	107,070	124,763

29. Related party balances disclosures

	Sep 30, 2024 USD'000	Sep 30, 2023 USD'000
Related party transactions with:		
Kelltech Limited Group	2,046	1,230
Kelltech [a]	882	787
Kelltechnology SA RF Proprietary Limited [b]	67	59
Kellplant Proprietary Limited [c]	1,097	384
Lifezone[d]	(319)	(525)
The Pallinghurst Group[e]	-	(17)
The IDC [g] (Credit facility to PPM)	(1,091)	(11,781)

	Sep 30, 2024 USD'000	Dec 31, 2023 USD'000
Related party balances – amounts owing by/(to):		
Kelltech Limited Group	27,898	31
Kelltech [a]	16,871	-
Kelltechnology SA RF Proprietary Limited[b]	18	28
Kellplant Proprietary Limited [c]	11,009	3
Lifezone [d]	(525)	(1,442)
The IDC (Shareholder loan to Kelltechnology South Africa (RF) (Pty) Ltd)[f]	(3,390)	(3,120)
The IDC [g] (Credit facility to PPM)	(11,722)	(10,789)

a) Orkid S.á.r.l., a subsidiary of SRL, has a 50% shareholding in Kelltech. The Group provided loans to Kelltech for developmental and working capital purposes. The above transactions reflect interest accrued on these loans.

b) Kelltech has a 66.7% shareholding in Kell SA. The Group provides Kell SA (if otherwise defined) with administration, management and other services for which it charges a monthly fee of USD5.576 thousand. In addition, audit fees paid on Kelltech's behalf was reimbursed.

c) Kell SA has a 100% shareholding in Kellplant (Pty) Ltd ("Kellplant"). The Group provides Kellplant with administration, project management and other services for which it charged a monthly fee of USD80.972 thousand (excluding VAT) up to January 31, 2023. In addition, the Group provides Kellplant with an unsecured bridging loan (see note 9) on which interest is charged. Included in the 2024 transactions is interest of USD1.092 million on the outstanding loan and reimbursement of audit and secretarial fees. that was incurred by the Group on behalf of Kellplant.

d) Lifezone Limited holds the remaining 50% shares in Kelltech. Lifezone is the holder of the Kell technology being implemented through the construction of a plant at PPM and provides the group with technical services related to this technology. On a monthly basis, Lifezone charges Kell SA and Kellplant a fee of USD53.173 thousand and USD129.679 thousand respectively for these services. In January 2023, the contract with Kellplant ended. Lifezone continued to provide marketing services in Quarter 1 of 2024 for a total amount of USD159.000 thousand. It also provided technical services for a specific project of USD160.000 thousand. The outstanding balance also includes a loan that Lifezone provided to Kell SA in 2014.

29. Related party balances disclosures (continued)

e) The Pallinghurst Group is associated with Pallinghurst EMG African Queen LP, a company that is a shareholder of SRL. The Pallinghurst Group incurred expenses on behalf of the Company which were reimbursed by the Company.

f) On March 31, 2022, the Industrial Development Corporation of South Africa Limited ("IDC") entered into a commercial shareholders' loan agreement with Kell SA to fund the construction of the Kell Plant. The first amount of ZAR 57,809,291 (USD 3,389,965) was drawn down on April 4th, 2022.

g) The Industrial Development Corporation of South Africa Limited (IDC) provided a loan of USD 11.352 million (ZAR 200 million) to PPM on March 30, 2023. The loan incurs interest and commitment fees which is paid quarterly in arrears. On March 31, 2022 the IDC entered into a commercial shareholders loan agreement with Kell SA to fund the construction of the Kell Plant. The first amount of USD 3.281 million (ZAR 57.809 million) was drawn down on April 4, 2022.

30. Financial instruments

30.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements as at December 31, 2023. There have been no changes in the risk management policies since year end.

Intercreditor Agreement

On July 15, 2022, PPM, Nedbank and the Orion Purchasers, amongst others, entered into an intercreditor agreement (the "Intercreditor Agreement") governing, amongst other things, the rights and interests of the various parties to the Common Security Package (as defined below) upon enforcement. In consideration for (i) the prepayments made under the Orion Stream Agreements; and (ii) senior debt facilities made available from time to time (including the revolving facility to be made available under the Nedbank Facility Agreement) PPM and certain other entities within the Group, have granted certain security interests in favor of a special purpose company (the "Security SPV") to be held on a common basis to secure the obligations of PPM (and, where applicable, related affiliates, including SGS as seller under the Orion Stream Agreements) owing to, as applicable, the Orion Purchasers, Nedbank and any other relevant senior creditors under senior debt facilities from time to time (together, the "Common Security Package"). The Intercreditor Agreement was amended on 24 December 2024 to deal with the introduction of the new Facility C debt package as part of the Capital Raise.

The Common Security Package is structured on a shared basis governed by the Intercreditor Agreement terms. The rights of the Orion Purchasers under the Orion Stream Agreements will be second-ranking to the rights of Nedbank, the IDC and any other senior debt lenders that may be party to the Common Terms Agreement from time to time. The Common Security Package, a, is comprised of:

- a General Notarial Bond provided by PPM in respect of its moveable assets;
- a Cession in Security granted by PPM, Richtrau and SGS in respect of certain intangible assets;
- a Special Notarial Bond granted by PPM in respect of certain specified assets;
- a Mining Rights Mortgage Bond granted by PPM in respect of its mining rights;
- a Mortgage Bond granted by PPM in respect of certain immoveable property;
- a Security Assignment granted by PPM and SGS in respect of certain intra-group agreements;
- an Obligor Cession and Pledge in Security granted by PPM, *inter alia*, in respect of certain of the shares and claims held by the security providers; and
- any future security that forms part of the Common Security Package.

30. Financial instruments (continued)

30.2 Liquidity risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet financial commitments in a timely and cost-effective manner. The Group's Executive Directors continually review the liquidity position including cash flow forecasts to determine the forecast liquidity position.

The Company invests excess funds in fixed deposit structures and money market funds that provides quick access to cash and has an insignificant risk of value changes. To ensure adequate liquidity for risk management and operational flexibility, the company maintains a portion of its funds in cash and cash equivalents, which are available for immediate use.

The contractual cashflow maturity analysis of payables at the reporting date was as follows:

Balances as at September 30, 2024	Contractual cash flows USD'000	Less than 6 months USD'000	6-12 months USD'000	13-24 months USD'000	25-60 months USD'000	Greater than 60 months USD'000
Credit facilities[a]	12,044	336	-	11,708	-	-
Long-term borrowings[a]	7,346	-	-	-	-	7,346
Revolving commodity facility	-	-	-	-	-	-
Stream prepayment[b]	420,398	-	-	1,293	27,588	391,517
Trade payables and accrued liabilities	6,097	4,886	1,211	-	-	-
Total financial liabilities	**445,885**	**5,222**	**1,211**	**13,001**	**27,588**	**398,863**

Balances as at December 31, 2023	Contractual cash flows USD'000	Less than 6 months USD'000	6-12 months USD'000	13-24 months USD'000	25-60 months USD'000	Greater than 60 months USD'000
Credit facilities[a]	12,151	-	12,151	-	-	-
Long-term borrowings[a]	6,179	-	-	-	-	6,179
Revolving commodity facility	14,266	14,266	-	-	-	-
Stream prepayment [b]	829,599	-	-	-	25,567	804,031
Trade payables and accrued liabilities	14,382	14,382	-	-	-	-
Total financial liabilities	**876,577**	**28,648**	**12,151**	**-**	**25,567**	**810,210**

a) Contractual cash flows include interest payments.

b) This commitment represents the contractual undiscounted cash flows which is linked to future projected production inflows.

30.2.1 Repayment of short-term obligations

Management performed an assessment of the current liabilities as at September 30, 2024 and concluded that the Company does not have sufficient working capital to settle all current liabilities as at September 30, 2024:

- Sufficient cash and cash equivalents are available to settle the outstanding credit facilities due and payable in the short term;
- The stream prepayment will only be settled as and when ounces are produced and is therefore dependent on the improvement in PGM prices and the successful commencement of the operations;
- Trade payables and accrued liabilities will be settled from cash generated from the sale of assets held for sale and current cash reserves. Payment arrangements have been agreed for certain outstanding amounts and others are still being negotiated. The Company has raised further capital through debt and equity that will be used to settle outstanding amounts, see Note 33, *Events after the reporting date*.

30. Financial instruments (continued)

30.3. Accounting classification and measurement of fair values

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- **Revolving commodity facility**
  The fair value of the Revolving commodity facility is determined based on current market prices.
- **Stream prepayment**
  The fair value of the stream prepayment is measured at fair value through profit or loss based on unobservable market data.
- **Trade receivables**
  The fair value for trade receivables is measured at fair value through profit or loss (metal sales) based on ruling market prices.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- **Level 1:** Unadjusted quoted prices in active markets for identical asset or liabilities;
- **Level 2:** Inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- **Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table set out the Group's financial instruments measured at fair value by level within the fair value hierarchy:

	Sep 30, 2024 USD'000		Dec 31, 2023 USD'000	
	Level 2	Level 3	Level 2	Level 3
Financial assets measured at fair value				
- Trade Receivables - Metal sales	-	-	22,066	-
Financial liabilities measured at fair value				
- Revolving commodity facility	-	-	14,266	-
- Stream prepayment	-	40,476	-	47,763

The Group has no financial instruments measured at Level 1 per the fair value hierarchy.

The fair value of the stream obligation is classified within Level 3 of the fair value hierarchy. The fair value of the streams was valued using a Monte Carlo simulation model which uses forecasts that are unobservable inputs. These unobservable inputs of the model are based on observable inputs of forecast precious metals price, precious metal price volatilities and risk adjusted discount rates.

30.4 Financial assets and liabilities measured at amortised cost

	Sep 30, 2024 USD '000	Dec 31, 2023 USD '000
Restricted investments and guarantees	23,628	19,507
Loans receivable	341	1,768
Trade receivables	27	11,683
Cash and cash equivalents	3,030	17,725
Total financial assets	**27,026**	**50,683**
Credit facilities	11,722	10,789
Long-term borrowings	6,588	5,554
Trade payables and accrued liabilities	4,886	14,381
Total financial liabilities	**23,196**	**30,724**

The fair value of the financial assets and liabilities carried at amortised cost is approximately equal to their carrying amounts. This is due to the short-term nature of all current assets with the non-current assets being the restricted investment portfolio that is invested in a fixed deposit account, and the loans receivables, both being linked to market related interest rates.

31. Contingencies and commitments

31.1 Contingencies

There were no changes in the contingencies since the issue of the audited consolidated financial statements for the year ended December 31, 2023.

31.2 Commitments

The Group's contractual obligations are as follows:

Commitments as at September 30, 2024

Contractual obligations USD'000	Total	< 1 year	1-3 years	After 3 years
Open Purchase orders	293	293	-	-
Total Contractual Obligations	**293**	**293**	**-**	**-**

Commitments as at December 31, 2023

Contractual obligations USD'000	Total	< 1 year	1-3 years	After 3 years
Open Purchase orders	2,463	2,463	-	-
Total Contractual Obligations	**2,463**	**2,463**	**-**	**-**

32. Impairment

September 30, 2024

The Group recognised a significant impairment in 2023 due to a number of factors including the adverse PGM price environment and subsequent curtailment of operations at PPM which are still applicable. No additional factors have been observed. A full impairment review will be performed at year end.

December 31, 2023

Management estimates and uses certain key assumptions in calculating the recoverable amount under the value in use model. This model relies on discounted cash flows, which uses key assumptions comprising both current and future PGM prices, ZAR: USD exchange rates, forecasted costs, discount rates, and inflation, which is based on the most recent information available in the market. On a periodic basis management updates LoM plans to consider ways to optimize the value of projects over their lives which can impact the key assumptions noted above. The indicative values from these LoM plans as at December 31, 2023 indicated an impairment.

32. Impairment (continued)

December 31, 2023 (continued)

The assumptions and inputs used in the determination of the recoverable amount of non-current assets for the impairment assessment were as follows:

	Dec 31, 2023 USD '000
Basis of determining recoverable amount	Fair value less cost to sell
Fair value hierarchy	Level 2
Key assumptions:	
Long term real discount rate (ZAR) ("WACC") [(a)]	15.65%
South African consumer price index (inflation rate)	6.7%
4E Basket price (long term)	USD1,984
Carrying amount	126,917
Impairment	(755,283)
Key assumption sensitivities:	
Impact on calculation of Net Present Value ("NPV"):	
Current NPV	135,190
Increase in WACC rate of 1% (decrease in value)	98,817
Decrease in WACC rate of 1% (increase in value)	162,182
Increase in exchange rates of 5% (increase in value)	190,118
Decrease in exchange rates of 3% (decrease in value)	102,123
Increase in Platinum Price of 10% (increase in value)	202,068
Decrease in Platinum Price of 8% (decrease in value)	81,469

(a) Global market conditions, the increased cost of debt and South African country risk resulted in a higher ZAR post-tax WACC of 15.65%.

A USD755.283 million impairment was recognised for the twelve-month period ended December 31, 2023.

The Group impairment for the twelve-month period ended December 31, 2023, comprised:

	Note(s)	Dec 31, 2023 USD '000
Mining assets	5	528,609
Intangible assets	6	11,408
Property, plant and equipment	7	215,267
Total impairment		**755,283**

Property, plant and equipment relating to the West pit specific, was impaired during 2023. This impairment of USD35.712 million is included in the full year impairment. The weaker metal prices in combination with the high stripping required to mine in the West pit does not yield in profitable ounces. A decision was made to stop all stripping activity in the West pit and discontinue mining from October 2023 until circumstances change to mine the West pit profitably. All assets across the different asset classes relating to the West pit was fully impaired, including, producing mines, the pre-stripping asset and the deferred stripping assets.

32. Impairment (continued)

The general impairment recognised for the Group during 2023 was allocated between the various asset classes based on carrying value of the asset classes for the various companies at the time of the impairment calculation. Assets which are highly marketable, and still new had been excluded from the impairment allocation. The impairment was allocated as follows:

- First to Mineral properties that was acquired on Group level in an asset for share transaction in 2012.
- The remaining impairment was allocated across other asset classes on a pro-rata basis, based on the carrying amount of each asset class.
- Impairment was allocated to each asset class and then allocated on a pro-rata basis to individual assets per asset class based on their carrying amounts.

33. Events after the reporting date

The Group has no adjusting post balance sheet events to report. The following non adjusting post balance sheet events occurred:

Capital raise

On January 20, 2025, the Company announced the successful completion of an emergency capital raise of approximately USD19 million, constituted by way of a USD9 million senior secured debt facility agreement (the "Debt Raise"), and the issue of USD10 million of equity in the form of new ordinary Company shares (the "Equity Raise", and together with the Debt Raise, the "Capital Raise").

A further USD1 million of equity could be subscribed to by existing shareholders, some of which is subject to receiving South African Reserve Bank approval in respect of South African participants. This further equity subscription would increase the total Equity Raise to USD11 million and the total Capital raise to USD20 million.

The Capital Raise proceeds will be used for general working capital requirements and to progress the development of the Group.

The Capital Raise proceeds have been fully received by the Company.

The Equity Raise

The Equity Raise was subscribed to by certain existing and new shareholders of the Company residing outside of Canada by means of a private placement. The Equity Raise was executed at a price of USD0.00323 per Company ordinary share (the "Subscription Price"), valuing the Company (pre-raise) at a significantly discounted valuation of USD10 million. Equity Raise participants have been granted underwriter options to subscribe to further Company shares at the Subscription Price, on the basis of one Option issued for each Share subscribed to. The pricing of the Equity Raise was determined following a series of consultations with the Company's major shareholders.

The Debt Raise

On January 15, 2025, a Senior Secured loan agreement entered into among Orion Blue Crane LLC ("Orion"), Pallinghurst PGM Limited ("PPGM"), and the IDC as lenders, the Company's wholly owned operating subsidiary PPM as Borrower, and the Company and other entities of the Sedibelo Group as Guarantors ("Facility C") became unconditional. Orion has committed USD8 million and PPGM USD1 million as USD Tranche Loans under Facility C, which amounts have been fully drawn down by PPM. Each of the USD Tranche Lenders have been granted lenders' options to subscribe to Sedibelo shares at the Subscription Price for up to 50% of the amount of their loans drawn down under Facility C. Facility C USD Tranche Loans have an annual interest rate of SOFR plus 13%, capped at 18%, with all interest and principal being due at the end of the 2-year Facility C term.

33. Events after the reporting date (continued)

IDC's Participation

The IDC, as both a shareholder and lender to the Company has given its support to the Capital Raise by agreeing to convert the ZAR200 million principal amount outstanding under the existing Facility B secured facility as follows:

(i) ZAR50 million shall be converted into Company ordinary shares at the Subscription Price, such conversion being conditional on the IDC receiving South African Reserve Bank approval thereon, and

(ii) the remaining ZAR150 million of principal under Facility B and accrued interest up to transaction closing date, on Facility B will be rolled over into Facility C as a Facility C ZAR Tranche loan which will bear an annual interest rate of JIBAR plus 13%, capped at 21%, with all principal and interest thereon to be repaid at the end of the 2-year term of Facility C.

Bakgatla Ba Kgafela Participation

The Company's largest shareholder prior to the Capital Raise, the Bakgatla Ba Kgafela Tribe (the "BBKT") has been granted options (the "BBKT Options") by the Company to subscribe for up to USD3 million in Company shares at the Subscription Price for a period of one year, and the right to receive further options to subscribe for further Company shares, during a second one year period, at the Subscription Price in the number of options exercised during the first one year option period.

Forbearance and Intercreditor Agreement

On December 24, 2024, the IDC, Orion and other entities of the Orion group which are parties to the Stream Agreements with the Company, entered into an Amendment, Waiver and Forbearance Agreement with the Company and PPM in relation to the Sedibelo Group's senior secured financing and Stream agreements, covering past and future potential events of default, and during the 2-year term of Facility C.

Furthermore, on December 24, 2024, the Intercreditor Agreement that was entered into on July 15, 2022 among entities of the Orion Group, the IDC, PPM, the Company and other entities of the Sedibelo Group, has been amended further to a Revised and Restated Intercreditor Agreement, providing for, inter alia, the senior ranking of Facility C Lenders above all other secured creditors of the Sedibelo Group for so long as any amounts remain outstanding under Facility C.

Bridge Loan

In order for the Company to meet its short-term payment obligations, in December 2024, PPGM entered into an unsecured Loan Agreement with the Company for an amount of USD2 million ("Bridge Loan"), the repayment of which will be made by way of offset against PPGM's equity subscription under its Equity Subscription Agreement.

Board Composition

Erich Clarke has stepped down as Executive Chairman from December 31, 2024 to continue as an executive director. Arne Frandsen has been appointed Non-executive Chairman from January 1, 2025.

Kgosi Molefe John Pilane and Mark Langa have been appointed as representatives of the BBKT to the Sedibelo Board of Directors on December 1, 2024.