



Sedibelo Resources Limited
(previously Sedibelo Platinum Mines Limited)

Condensed Consolidated Interim Financial Statements
for the three and nine-month periods ended September 30, 2022 and 2021

(As at September 30, 2022 and for the three and nine-months ended September 30, 2022 and 2021)
(Unaudited, expressed in US dollars, unless otherwise stated)

Sedibelo Resources Limited
Condensed consolidated interim statement of financial position
 Unaudited as at September 30, 2022



(Expressed in United States Dollars, unless otherwise stated)

| | Notes | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|-------|----------------------------|----------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Mining assets | 5 | 643,683 | 708,902 |
| Intangible assets | 6 | 27,507 | 30,540 |
| Property, plant and equipment | 7 | 113,679 | 92,625 |
| Loans receivable | 8 | 21,966 | 19,063 |
| Restricted cash investments and guarantees | 9.2 | 17,063 | 18,432 |
| Deferred tax asset | | 58,604 | 76,138 |
| Investment in joint venture | 11 | - | - |
| Total non-current assets | | 882,502 | 945,700 |
| Current assets | | | |
| Inventories | 10 | 10,550 | 10,208 |
| Trade and other receivables | 12 | 66,021 | 82,816 |
| Loans receivable | 8 | 1,132 | 637 |
| Cash and cash equivalents | 9.1 | 173,040 | 140,595 |
| Total current assets | | 250,743 | 234,256 |
| TOTAL ASSETS | | 1,133,245 | 1,179,956 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to owners of the parent | | | |
| Share capital | 13 | 2,549,583 | 2,549,583 |
| Other components of equity | | (737,571) | (616,842) |
| Accumulated loss | | (823,593) | (831,400) |
| | | 988,419 | 1,101,341 |
| Non-controlling interest | | (8,087) | (7,687) |
| Total equity | | 980,332 | 1,093,654 |
| Non-current liabilities | | | |
| Long-term borrowings | 14 | 4,977 | 5,289 |
| Stream prepayment | 15 | 78,903 | - |
| Decommissioning and rehabilitation provision | 16 | 17,880 | 18,782 |
| Share-based payment obligation | 17 | 3,906 | 445 |
| Total non-current liabilities | | 105,666 | 24,516 |
| Current liabilities | | | |
| Stream prepayment | 15 | 8,106 | - |
| Share-based payment obligations | 17 | 1,278 | 1,505 |
| Trade payables and accrued liabilities | | 22,811 | 29,029 |
| Revolving commodity facility | 18 | 15,052 | 31,252 |
| Total current liabilities | | 47,247 | 61,786 |
| Total liabilities | | 152,913 | 86,302 |
| TOTAL EQUITY AND LIABILITIES | | 1,133,245 | 1,179,956 |

The financial statements were authorized by Erich Clarke, on behalf of the Board of Directors, on November 29, 2022, and were signed on their behalf:

 Erich Clarke
 Director

Sedibelo Resources Limited

Condensed consolidated interim statement of comprehensive income

Unaudited for the three and nine months ended September 30, 2022 and 2021

(Expressed in United States Dollars, unless otherwise stated)

| | Notes | For the three months ended | | For the nine months ended | |
|---|-------|----------------------------|-----------------|---------------------------|-----------------|
| | | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| | | USD'000 | USD'000 | USD'000 | USD'000 |
| Revenue | 19 | 42,048 | 35,511 | 131,303 | 199,334 |
| Cost of operations | 20 | (38,670) | (45,373) | (104,629) | (137,758) |
| Gross profit/(loss) | | 3,378 | (9,862) | 26,674 | 61,576 |
| Administrative and general expenses | | (11,223) | (8,066) | (28,667) | (21,862) |
| Fair value gain | 15 | 12,695 | - | 12,695 | - |
| Foreign exchange gain | | 3,278 | 1,765 | 5,343 | 2,151 |
| Other income/(loss) | | 288 | 48 | 1,669 | (2,680) |
| Operating profit/(loss) | 21 | 8,416 | (16,115) | 17,714 | 39,185 |
| Finance income | | 2,663 | 1,596 | 5,993 | 4,049 |
| Finance costs | | (745) | (751) | (2,559) | (3,548) |
| Share of loss of investments accounted for using the equity method | 11 | (717) | (468) | (867) | (527) |
| Profit/(loss) before income tax | | 9,617 | (15,738) | 20,281 | 39,159 |
| Income tax | | (293) | 2,953 | (10,080) | (13,854) |
| Profit/(loss) for the period | | 9,324 | (12,785) | 10,201 | 25,305 |
| <i>Attributable to:</i> | | | | | |
| Owners of the parent | | 9,497 | (12,642) | 10,601 | 25,724 |
| Non-controlling interest | | (173) | (143) | (400) | (419) |
| Profit/(loss) for the period | | 9,324 | (12,785) | 10,201 | 25,305 |
| Other Comprehensive loss: | | | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | | | |
| Exchange differences on loan designated as net investment | | 13,669 | 9,734 | (2,836) | (7,151) |
| Exchange differences on translation from functional to presentation currency | | (115,046) | (74,739) | (120,837) | (31,549) |
| Other comprehensive share of investment accounted for using the equity method | | (1,387) | (25) | 42 | (418) |
| Movement in other reserves | | 89 | 56 | 108 | 35 |
| Other comprehensive loss - net of tax | | (102,675) | (64,974) | (123,523) | (39,083) |
| Total comprehensive loss for the period | | (93,351) | (77,759) | (113,322) | (13,778) |
| <i>Attributable to:</i> | | | | | |
| Owners of the parent | | (93,178) | (77,616) | (112,922) | (13,359) |
| Non-controlling interest | | (173) | (143) | (400) | (419) |
| Total comprehensive loss for the period | | (93,351) | (77,759) | (113,322) | (13,778) |
| Earnings per share (cents) | | | | | |
| Basic earnings/(loss) per share | 22 | 0.31 | (0.41) | 0.34 | 0.83 |
| Diluted earnings/(loss) per share | 22 | 0.31 | (0.41) | 0.34 | 0.83 |

Sedibelo Resources Limited

Condensed consolidated interim statement of changes in shareholders' equity

Unaudited for the nine months ended September 30, 2022 and 2021

(Expressed in United States Dollars, unless otherwise stated)

| | Share capital (a) | Accumulated loss | Other reserves | Foreign currency translation reserve | Subtotal | Non- controlling interest | Total equity |
|--|----------------------|---------------------|-------------------|--|------------------|---------------------------------|------------------|
| | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 |
| Balance at December 31, 2020 | 2,549,583 | (865,651) | (1,019) | (520,724) | 1,162,189 | (7,126) | 1,155,063 |
| Profit/(loss) for the period | - | 25,724 | - | - | 25,724 | (419) | 25,305 |
| Other comprehensive (loss)/income for the period | - | (7,569) | 35 | (31,549) | (39,083) | - | (39,083) |
| Total comprehensive income/(loss) | - | 18,155 | 35 | (31,549) | (13,359) | (419) | (13,778) |
| Balance at September 30, 2021 | 2,549,583 | (847,496) | (984) | (552,273) | 1,148,830 | (7,545) | 1,141,285 |
| Profit/(loss) for the period | - | 8,009 | - | - | 8,009 | (142) | 7,867 |
| Other comprehensive income/(loss) for the period | - | 8,087 | 48 | (63,633) | (55,498) | - | (55,498) |
| Total comprehensive income/(loss) | - | 16,096 | 48 | (63,633) | (47,489) | (142) | (47,631) |
| Balance at December 31, 2021 | 2,549,583 | (831,400) | (936) | (615,906) | 1,101,341 | (7,687) | 1,093,654 |
| Profit/(loss) for the period | - | 10,601 | - | - | 10,601 | (400) | 10,201 |
| Other comprehensive (loss)/income for the period | - | (2,794) | 108 | (120,837) | (123,523) | - | (123,523) |
| Total comprehensive income/(loss) | - | 7,807 | 108 | (120,837) | (112,922) | (400) | (113,322) |
| Balance as September 30, 2022 | 2,549,583 | (823,593) | (828) | (736,743) | 988,419 | (8,087) | 980,332 |

(a) Note 13

Sedibelo Resources Limited

Condensed consolidated interim cash flow statement

Unaudited for the nine months ended September 30, 2022 and 2021



(Expressed in United States Dollars, unless otherwise stated)

| | | For the nine months ended | |
|---|-------|---------------------------|-----------------|
| | | Sep 30, 2022 | Sep 30, 2021 |
| | Notes | USD'000 | USD'000 |
| Cash flows from operating activities | | | |
| Profit before income tax | | 20,281 | 39,159 |
| Depreciation of property, plant and equipment | 7 | 4,594 | 5,933 |
| Amortization of intangible assets | 6 | 32 | 426 |
| Revolving commodity facility fair value adjustment | 18 | 1,824 | (1,944) |
| Share of loss of investments accounted for using the equity method | 11 | 867 | 527 |
| Share-based payments | 17 | 3,912 | - |
| Loss on disposal of mining assets | 5 | - | 3,141 |
| Fair value gain on stream prepayment | 15 | (12,695) | - |
| Loss on assets scrapped | | - | 5 |
| (Profit)/loss on disposal of fixed assets | | (16) | 3 |
| Unrealized foreign exchange loss/(gain) | | (4,678) | (1,968) |
| Finance income | | (5,993) | (4,049) |
| Finance cost | | 2,559 | 3,548 |
| <i>Operating profit before working capital changes</i> | | 10,687 | 44,781 |
| Decrease in trade and other receivables | | 13,952 | 78,754 |
| Decrease in trade and other payables | | (3,251) | (956) |
| (Increase)/decrease in inventories | | (1,719) | 1,273 |
| 20% cash payment received on the stream payment | 15 | 153 | - |
| <i>Cash generated from operations</i> | | 19,822 | 123,852 |
| Interest paid | | (7) | (499) |
| Interest received | | 4,373 | 3,203 |
| <i>Net cash generated from operating activities</i> | | 24,188 | 126,556 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 7 | (40,635) | (5,780) |
| Disposal of property, plant and equipment | | 36 | 2 |
| Additions to mining assets | 5 | (18,848) | (743) |
| Disposal of mining assets | | - | 7 |
| Additions to intangible assets | 6 | (592) | (240) |
| Funds invested in restricted cash | | - | (1,216) |
| Loans granted to related party | | (4,870) | (1,922) |
| Loans granted to external parties | | (629) | (678) |
| Loans repaid by external parties | | 1,076 | 1,132 |
| <i>Net cash utilized in investing activities</i> | | (64,462) | (9,437) |
| Cash flows from financing activities | | | |
| Interest paid on The Industrial Development Corporation ("IDC") of South Africa loan ^(a) | | - | (1,940) |
| Capital repayment on the IDC loan ^(a) | | - | (37,083) |
| Stream prepayment | 15 | | |
| - Cash payment received | | 100,000 | - |
| - Metal credits bought | | (725) | - |
| Proceeds from revolving commodity facility | 18 | 84,878 | 70,538 |
| Repayment of revolving commodity facility | 18 | (101,702) | (58,269) |
| <i>Net cash generated from/(utilized in) financing activities</i> | | 82,451 | (26,753) |
| Net increase in cash and cash equivalents | | 42,177 | 90,367 |
| Cash and cash equivalents at beginning of the year | | 140,595 | 62,986 |
| Exchange loss on cash and cash equivalents | | (9,732) | (4,642) |
| Cash and cash equivalents at end of the period | 9.1 | 173,040 | 148,710 |

(a) The loan with the IDC was settled in full on June 1, 2021.

1. General information

Sedibelo Resources Limited (the "Company") previously known as Sedibelo Platinum Mines Limited 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 ("PPMPL"), the Group has established the Pilanesberg Platinum Mines ("PPM") on the Western Limb of the Bushveld Complex. The Group's subsidiary, Tameng Mining and Exploration Proprietary Limited, is a development stage, natural resources company, engaged in the exploration and development of the ("Mphahlele") property on the Eastern Limb of the Bushveld Complex in the Republic of South Africa.

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, 2022, the Group made a profit of USD10.201 million (2021: USD25.305 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, except for the amendment to IAS 16 'Property, Plant and Equipment – Proceeds before Intended Use' as described in note 4.

Basis of preparation

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.

Going concern

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim financial reporting and IFRIC interpretations as issued by the IASB applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Group be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited condensed consolidated interim financial statements.

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 consider key assumptions, such as exposure to the ZAR:USD exchange rate and PGM prices, in their cash flow forecasts. Continuance as a going concern is dependent upon the Group's ability to achieve profitable operations, obtain adequate equity or debt funding, or, alternatively, dispose of its non-core properties on an advantageous basis.

PPM has an agreement with Investec Bank Limited ("Investec") to provide a rand denominated revolving commodity finance facility of up to USD55 million (ZAR900 million) for the financing of concentrate deliveries. On November 2, 2022 the facility limit was reduced with Investec to USD28.354 million (ZAR509.580 million) to align the facility with the expected utilisation. The outstanding balance bears interest at JIBAR plus 0.50% and is available up to March 31, 2023.

Operational risks that Management considered during the assessment included operating cash flows, short term PGM prices and ZAR:USD exchange rates. Capital expenditure (sustaining and growth) was included in line with the budget and Management's current plans. Based on current assumptions there is no reason for Management to believe that the Group cannot repay debt, expenses and/or obligations in accordance with the current terms of the relevant agreements.

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

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

| | At Sep 30, 2022 | Average nine months ended Sep 30, 2022 | Average three months ended Sep 30, 2022 | At Dec 31, 2021 | Average nine months ended Sep 30, 2021 | Average three months ended Sep 30, 2021 |
|---------------------------------|--------------------|--|--|--------------------|--|--|
| South African Rand (USD:ZAR) | 17.98 | 15.95 | 17.03 | 15.90 | 14.57 | 14.62 |

Property, plant and equipment

Depreciation and amortization are calculated on a units-of-production method for the mining 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. The useful lives applicable to each category of property, plant and equipment are as follows:

Asset category

| |
|---|
| Producing mines |
| Pre-stripping costs |
| Plant construction and mine development |
| Deferred stripping costs |
| Decommissioning assets |
| Leased assets |
| Plant and equipment |
| Buildings |
| Land |
| Other |
| - Vehicles |
| - Computer equipment |
| - Office equipment |
| - Furniture and fittings |
| - Other equipment |

Useful life

| |
|--|
| Units of production (ore tonnes mined) |
| Units of production (ore tonnes mined) |
| Units of production (ore tonnes mined) |
| Units of production (ore tonnes mined) |
| Units of production (ore tonnes mined) |
| 10 years |
| Units of production (ore tonnes processed) |
| 20 years |
| Indefinite |
| 5 years |
| 3 years |
| 6 years |
| 6 years |
| 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, 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, 2021.

4. Change in accounting policy

There were no changes in the accounting policies applied since the issue of the audited consolidated financial statements for the year ended December 31, 2021, except for the early adoption of the amendment below:

IAS 16 'Property, Plant and Equipment – Proceeds before Intended Use'

The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Notes to the condensed consolidated interim financial statements

Unaudited for the three and nine months ended September 30, 2022

(Expressed in United States Dollars, unless otherwise stated)

5. Mining assets

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|----------------------------|----------------------------|
| Exploration and evaluation assets | 32,344 | 17,589 |
| Mineral properties and rights | 611,339 | 691,313 |
| Balance as at the end of the period | 643,683 | 708,902 |

| | Exploration & evaluation assets USD'000 | Mineral properties & rights USD'000 | TOTAL USD'000 |
|---|--|--|------------------|
| Balance as at January 1, 2021 | 21,071 | 752,204 | 773,275 |
| Additions | 874 | - | 874 |
| Disposals ^(a) | (2,786) | - | (2,786) |
| Foreign exchange variance | (1,570) | (60,891) | (62,461) |
| Balance as at December 31, 2021 | 17,589 | 691,313 | 708,902 |
| Additions ^(b) | 18,848 | - | 18,848 |
| Foreign exchange variance | (4,094) | (79,973) | (84,067) |
| Balance as at September 30, 2022 | 32,343 | 611,340 | 643,683 |

- a) Exploration data relating to Grootboom, an Eastern Limb exploration project was sold to a third party.
 b) Additions of USD17.9 million relates to costs capitalized to the underground mining project and USD997 thousand relates to exploration costs capitalized.

6. Intangible assets

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| CARRYING VALUE | | |
| Water pipeline | 18,679 | 21,180 |
| ERP software | 621 | 8 |
| Computer software | 534 | 677 |
| Research and development | 7,673 | 8,675 |
| Balance at the end of the period | 27,507 | 30,540 |

Sedibelo Resources Limited
Notes to the condensed consolidated interim financial statements
 Unaudited for the three and nine months ended September 30, 2022

(Expressed in United States Dollars, unless otherwise stated)

6. Intangible assets (continued)

Reconciliation of intangible assets:

| | Water pipeline USD'000 | ERP software USD'000 | Computer software USD'000 | Research and development USD'000 | Power and water rights USD'000 | TOTAL USD'000 |
|---|------------------------------|----------------------------|---------------------------------|--|--------------------------------------|------------------|
| COST | | | | | | |
| Balance as at January 1, 2021 | 27,899 | 120 | 2,103 | 9,440 | 18,560 | 58,122 |
| Additions | 15 | 2 | 168 | - | - | 185 |
| Foreign exchange variance | (2,260) | (12) | (191) | (765) | - | (3,228) |
| Balance as at December 31, 2021 | 25,654 | 110 | 2,080 | 8,675 | 18,560 | 55,079 |
| Additions | - | 694 | - | - | - | 694 |
| Other movements | (91) ^(a) | - | (11) ^(b) | - | - | (102) |
| Foreign exchange variance | (2,953) | (93) | (239) | (1,002) | - | (4,402) |
| Balance as at September 30, 2022 | 22,610 | 711 | 1,830 | 7,673 | 18,560 | 51,384 |
| ACCUMULATED AMORTIZATION | | | | | | |
| Balance as at January 1, 2021 | (4,464) | (114) | (1,420) | - | (18,560) | (24,558) |
| Amortization | (370) | - | (100) | - | - | (470) |
| Foreign exchange variance | 360 | 12 | 117 | - | - | 489 |
| Balance as at December 31, 2021 | (4,474) | (102) | (1,403) | - | (18,560) | (24,539) |
| Amortization | 30 | - ^(c) | (62) | - | - | (32) |
| Foreign exchange variance | 513 | 12 | 169 | - | - | 694 |
| Balance as at September 30, 2022 | (3,931) | (90) | (1,296) | - | (18,560) | (23,877) |
| CARRYING AMOUNTS | | | | | | |
| Balance as at January 1, 2021 | 23,435 | 6 | 683 | 9,440 | - | 33,564 |
| Balance as at December 31, 2021 | 21,180 | 8 | 677 | 8,675 | - | 30,540 |
| Balance as at September 30, 2022 | 18,679 | 621 | 534 | 7,673 | - | 27,507 |

(a) The amount relates to VAT input recovered from prior periods that was unclaimed at the time.

(b) Costs were reduced due to a credit note received relating to costs capitalized in the prior period.

(c) A new Enterprise Resource Planning ("ERP") system is being implemented. The cost will only be amortized once it is complete, and the asset is brought into use.

Sedibelo Resources Limited
Notes to the condensed consolidated interim financial statements
Unaudited for the three and nine months ended September 30, 2022

(Expressed in United States Dollars, unless otherwise stated)

7. Property, plant and equipment

| | Producing Mines USD'000 | Plant construction & mine development USD'000 | Pre- stripping cost USD'000 | Deferred stripping cost USD'000 | Decommis- sioning asset USD'000 | Leased assets USD'000 | Plant and equipment (a) USD'000 | Land and buildings USD'000 | Other USD'000 | Total USD'000 |
|---|-------------------------------|---|--------------------------------------|--|--|-----------------------------|--|----------------------------------|------------------|------------------|
| COST | | | | | | | | | | |
| Balance as at January 1, 2021 | 6,182 | 12,943 | 116,676 | 50,413 | 7,802 | 4,793 | 165,660 | 3,426 | 6,926 | 374,821 |
| Additions | - | 6,797 | - | - | - | - | 5,737 | 645 | 876 | 14,055 |
| Change in estimate | - | - | - | - | 1,868 | - | - | - | 40 | 1,908 |
| Reclassification | - | 2,007 | - | - | - | (148) | (2,007) | - | 148 | - |
| Disposals/write offs | - | - | - | - | - | - | - | - | (188) | (188) |
| Foreign exchange variance | (500) | (1,573) | (9,445) | (4,081) | (630) | (361) | (13,402) | (309) | (697) | (30,998) |
| Balance as at December 31, 2021 | 5,682 | 20,174 | 107,231 | 46,332 | 9,040 | 4,284 | 155,988 | 3,762 | 7,105 | 359,598 |
| Additions | - | 35,897 | - | - | - | - | 4,513 | - | 225 | 40,635 |
| Disposals | - | - | - | - | - | - | - | - | (36) | (36) |
| Foreign exchange variance | (656) | (6,476) | (12,386) | (5,352) | (1,044) | (579) | (18,540) | (433) | (764) | (46,230) |
| Balance as at September 30, 2022 | 5,026 | 49,595 | 94,845 | 40,980 | 7,996 | 3,705 | 141,961 | 3,329 | 6,530 | 353,967 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | |
| Balance as at January 1, 2021 | (5,540) | - | (97,423) | (41,784) | (7,802) | (3,237) | (120,164) | (875) | (5,498) | (282,323) |
| Depreciation | (133) | - | (1,593) | (701) | (132) | (134) | (4,977) | (136) | (586) | (8,392) |
| Change in estimate | - | - | - | - | 6 | - | - | - | - | 6 |
| Reclassification | - | - | - | - | - | 12 | - | - | (12) | - |
| Disposals | - | - | - | - | - | - | - | - | 173 | 173 |
| Foreign exchange variance | 459 | - | 8,003 | 3,434 | 635 | 264 | 10,182 | 82 | 504 | 23,563 |
| Balance as at December 31, 2021 | (5,214) | - | (91,013) | (39,051) | (7,293) | (3,095) | (114,959) | (929) | (5,419) | (266,973) |
| Depreciation | (90) | - | (1,081) | (490) | (90) | (97) | (2,195) | (91) | (460) | (4,594) |
| Disposals | - | - | - | - | - | - | - | - | 7 | 7 |
| Foreign exchange variance | 611 | - | 10,639 | 4,567 | 853 | 428 | 13,436 | 115 | 623 | 31,272 |
| Balance as at September 30, 2022 | (4,693) | - | (81,455) | (34,974) | (6,530) | (2,764) | (103,718) | (905) | (5,249) | (240,288) |
| CARRYING AMOUNTS | | | | | | | | | | |
| Balance as at January 1, 2021 | 642 | 12,943 | 19,253 | 8,629 | - | 1,556 | 45,496 | 2,551 | 1,428 | 92,498 |
| Balance as at December 31, 2021 | 468 | 20,174 | 16,218 | 7,281 | 1,747 | 1,189 | 41,029 | 2,833 | 1,686 | 92,625 |
| Balance as at September 30, 2022 | 333 | 49,595 | 13,390 | 6,006 | 1,466 | 941 | 38,243 | 2,424 | 1,281 | 113,679 |

(a) Tailings dam is included in plant and equipment.

8. Loans receivable

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| Non-current assets | | |
| Kelltech Limited ^(a) | 11,750 | 11,793 |
| Kellplant Proprietary Limited ^(b) | 7,057 | 2,621 |
| Magalies Water ^(c) | 3,159 | 4,649 |
| | 21,966 | 19,063 |
| Current assets | | |
| Phakamani Impact Capital (Pty) Ltd ("Phakamani") ^(d) | 1,132 | 637 |
| | 1,132 | 637 |
| Balance at the end of the period | 23,098 | 19,700 |

- (a) The loan bears interest at the Secured Overnight Financing Rate ("SOFR") + 3%. The loan bore interest at the 3 Month USD LIBOR rate up to February 2022. The change was a direct consequence of interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis (that is, the basis immediately preceding the change) with no immediate gain or loss recognised. The loan is to be repaid from the proceeds generated by the Kell beneficiation plant through royalty payments.
- (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.
- (c) The loan is interest free, has variable terms of repayment calculated by amortising the loan based on the monthly units of water consumed.
- (d) The loan was granted as part of a revolving loan scheme to qualifying Small, Medium and Micro Enterprises ("SMMEs"). The loan is interest free and will be repaid upon settlement of the loans granted by Phakamani to third parties. This loan will revolve as new loans are granted and again repaid.

9. Cash and cash equivalents, restricted cash investments and guarantees

9.1 Cash and cash equivalents

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| Cash at bank | 173,040 | 140,595 |
| Balance at the end of the period | 173,040 | 140,595 |

Cash at banks predominantly earns interest at floating rates. Cash is deposited at 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 condensed consolidated interim 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 period above.

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

9.2 Restricted cash investments and guarantees

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

| | Sep, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|-------------------------|----------------------------|
| Balance at the end of the period | 17,063 | 18,432 |

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

- 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 life of the mine; and
- on a cash backed basis.

As at September 30, 2022, the Group had USD27.345 million (December 31, 2021: USD30.916 million) in guarantees to the DMRE and USD5.365 million (December 31, 2021: USD6.066 million) to ESKOM, of which USD17.063 million (December 31, 2021: USD18.432 million) was funded.

10. Inventories

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| Ore stockpiled | 1,012 | 209 |
| Work in progress | - | 643 |
| Chrome stockpile | - | 313 |
| Consumables | 9,538 | 9,043 |
| Balance at the end of the period | 10,550 | 10,208 |

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11. Investment in joint venture

Management has accounted for its interest in Kelltech Limited 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 SPM Group | Equity |

Investment in joint venture

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|-------------------------|-------------------------|
| Balance at the beginning of the period | - | - |
| Share of loss from joint venture | (867) | (786) |
| Share of other comprehensive profit/(loss) | 42 | (90) |
| Foreign exchange gain on investment in joint venture | 328 | 250 |
| Application of equity accounting on loan receivable | 497 | 626 |
| Balance at the end of the period | - | - |

Details of joint venture

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

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---------------------------------|-------------------------|-------------------------|
| Summarized balance sheet | | |
| Non-current assets | 14,139 | 10,096 |
| Current assets | 5,014 | 1,839 |
| Non-current liabilities | (18,531) | (14,927) |
| Current Liabilities | (7,703) | (2,471) |
| Net liability value | (7,081) | (5,463) |
| SRL ownership interest | 50% | 50% |

*The above assets and liabilities include the following:
 Cash and cash equivalents*

| | | |
|--|-------|-------|
| | 4,808 | 1,982 |
|--|-------|-------|

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|-------------------------|-------------------------|
| Summarized statement of comprehensive expense | | |
| Loss for the period | (1,734) | (1,572) |
| Other comprehensive income/(expense) | 86 | (180) |
| Total comprehensive expense | (1,649) | (1,752) |

The above loss for the period includes the following:

| | | |
|------------------|-------|-------|
| Finance income | 63 | 21 |
| Finance expense* | (399) | (390) |

*Including interest accrued to the Group

12. Trade Receivables

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| Trade receivables measured at fair value ^(a) | 50,478 | 77,783 |
| Trade receivables measured at amortised cost ^(a) | 3,638 | 540 |
| Other receivables ^(b) | 11,905 | 4,493 |
| Balance at the end of the year | 66,021 | 82,816 |

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

b) Other receivables include VAT receivables and prepayments. Included in prepayments are costs relating to corporate actions preparation and transaction costs. The transaction cost capitalized relates to incremental cost incurred to secure the revolving credit facility from Nedbank Limited of R500 million. The cost will be realized over the duration of the contract. To date the facility has not been utilized. Refer to note 14 for details on the Nedbank Facility Agreement.

13. Share capital

13.1. Common shares authorized

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

13.2. Common shares issued

| | Number of shares | Amount USD'000 |
|---|----------------------|-------------------|
| Balance as at December 31, 2021 | 3,095,401,663 | 2,549,583 |
| Balance as at September 30, 2022 | 3,095,401,663 | 2,549,583 |

14. Borrowings

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|----------------------------|----------------------------|
| Loan from Corridor Mining Resources Proprietary Limited ^(a) | 4,977 | 5,289 |
| Balance at the end of the period | 4,977 | 5,289 |

a) Loan form Corridor Mining Resources Proprietary Limited

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 the Group.

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14. Borrowings (continued)

Nedbank Facility Agreement

On July 15, 2022, the Company, as borrower, and Nedbank Limited ("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 ZAR500 million for 3 years. The facility is to be used for working capital purposes. Interest is calculated on each advance at JIBAR plus a margin. An interest period of 1 (one) month, 3 (three) months or 6 (six) months may be selected upon the utilization request of the loan and interest shall accrue from the utilization date of the loan.

The Group must ensure the following financial covenants under this agreement:

- the Net Debt to 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.

A commitment fee of 30% of 3.5% per annum is payable on the available facility that has not been utilized and is payable on the last day of each successive period of 3 months.

The facility is subject to the Common Terms Agreement entered into on July 15, 2022, between PPML, as borrower, and Nedbank, as lender, amongst others. The Company and certain of its subsidiaries have provided guarantees of PPML's obligations under the Nedbank Facility Agreement. As at September 30, 2022 the facility has not been utilized yet.

15. Stream prepayment

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|----------------------------|----------------------------|
| Non-current portion of the stream prepayment | 78,903 | - |
| Current portion of the stream prepayment | 8,106 | - |
| Balance at the end of the period | 87,009 | - |

The stream prepayment is accounted for as a financial liability at fair value through profit or loss and is comprised of the following as at September 30, 2022.

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|----------------------------|----------------------------|
| Opening balance | 100,000 | - |
| Day one fair value adjustment | 60,814 | - |
| Fair value at initial recognition | 160,814 | - |
| Deferred day one fair value adjustment | (60,814) | - |
| Principal repayment | (572) | - |
| Fair value adjustment | (12,695) | - |
| Fair value adjustments at September 30, 2022 | (12,770) | - |
| Amortising of day one fair value adjustment ^(a) | 75 | - |
| Subtotal | 86,733 | - |
| Foreign exchange loss | 276 | - |
| Balance at the end of the period | 87,009 | - |

(a) The day one fair value adjustment will be recognized over the period of the contract (based on the % ounces delivered over the term of the contract).

Stream prepayment fair value adjustments reflect the revaluation of the financial instruments at fair value as at September 30, 2022. The derivative gain or loss related to the Company's own credit risk will be recorded in other comprehensive income/(loss) and includes the impact of the difference between the Company's own credit risk at the time of entering into the long-term debt and the statement of financial position date. For purposes of the three-month period ended September 30, 2022, management concluded the value to be immaterial. Refer to note 23.2.1 for critical accounting estimates and judgments used in the determination of the fair value.

15. Stream prepayment (continued)

The Group entered into streaming agreements with affiliates of Orion Resource Partners (“Orion”) made up of platinum-, palladium-, gold- and rhodium streams. Orion advanced the following loan credit facilities to the Group:

- Platinum stream: USD40.2 million
- Palladium and gold stream: USD28.7 million
- Rhodium stream: USD31.1 million

In consideration for the stream prepayment, the Group shall sell and deliver to a metal account of Orion metal credits purchased on the London Bullion Market equal to the value of a certain percentage (designated metal percentage) of refined metals produced by the Group monthly.

The Company will receive a monthly cash payment equal to 20% of the value of the metal credits delivered to Orion and the remaining 80% will be utilized against the credit facility.

The following designated metal percentages are applicable to each stream:

- Platinum stream: 4.55%
- Palladium and gold stream: 5.75%
- Rhodium stream: See table below: See table 1. below. Options A to H in table 1 will depend on the occurrence of certain stream events (buy-back; production total achieved, and production total achieved plus mining depth). Column A is currently applicable.

| Monthly Avg. Rh Price (USD/oz) | A | B | C | D | E | F | G | H |
|--|-----------------|------------------|--------------------|----------------------|-----------------|------------------|----------------------|------------------------|
| Less than or equal to 5,000 | 4.30% | 2.15% | 1.08% | 0.54% | 4.30% | 2.15% | 0.54% | 0.27% |
| Linear interpolation between | | | | | | | | |
| Greater than 5,000 and less than 10,000 | 4.30% and 2.11% | 2.15% and 1.055% | 1.075% and 0.5275% | 0.5375% and 0.26375% | 4.30% and 2.11% | 2.15% and 1.055% | 0.5375% and 0.26375% | 0.26875% and 0.131875% |
| Equal to 10,000 | 2.11% | 1.055% | 0.5275% | 0.26375% | 2.11% | 1.055% | 0.26375% | 0.131875% |
| Linear interpolation between | | | | | | | | |
| Greater than 10,000 and less than 15,000 | 2.11% and 1.44% | 1.055% and 0.72% | 0.5275% and 0.36% | 0.26375% and 0.18% | 2.11% and 1.44% | 1.055% and 0.72% | 0.26375% and 0.18% | 0.131875% and 0.09% |

The applicable designated metal percentage will reduce with the occurrence of the following events:

- By 50% if the Company pays a buy back fee on any of the first five anniversaries of the date when the stream prepayment was received;
- By 75% after 4,664,704 ounces of the refined metals have been produced; and
- By 87.5% after 4,664,704 ounces of the refined metals have been produced and the mining area is below the depth of seven hundred metres (700m) from the surface.

The agreements will be effective for forty (40) years and thereafter shall automatically be extended for successive twenty (20) year periods unless there are no active mining activities, in which case these agreements shall terminate at the end of the initial term or such additional term, as applicable. The agreements may also be terminated by the Company or Orion on mutual written consent or by either party in the case of an event of default.

16. Decommissioning and rehabilitation provision

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| DISCOUNTED | | |
| Balance at the beginning of the period | 18,782 | 16,787 |
| Unwinding of discount (accretion) | 1,434 | 1,597 |
| Change in estimate | - | 1,868 |
| Subtotal | 20,216 | 20,252 |
| Foreign exchange variance | (2,335) | (1,470) |
| Balance at the end of the period | 17,880 | 18,782 |

The estimate represents the current cost of closure as at the respective period end. An annual estimate of the quantum of closure costs is necessary in order to fulfil the requirements of the DMRE, as well as meeting specific closure objectives outlined in the mine's Environmental Management Programme. Although the ultimate amount of the asset retirement obligation is uncertain, the measurement of the obligation is based on information that is currently available.

Assumptions and inputs used in determining the asset retirement obligation:

| | Sep 30, 2022 | Dec 31, 2021 |
|--|-------------------------|-------------------------|
| ZAR discount rate (%) | 7.4 | 7.4 |
| Inflation rate (%) | 4.4 | 4.4 |
| Life of Mine – West Pit (current operating open pit) | 5 years and 9 months | 6 years and 6 months |
| Life of Mine – East Pit (a developing open pit) | 7 years and 6 months | 7 years and 6 months |

17. Cash-settled share-based payment obligations

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|---|----------------------------|----------------------------|
| Balance at the beginning of the period | 1,950 | - |
| Cash-settled share-based payment recognized in the current period | 3,912 | 1,954 |
| Foreign exchange variance | (678) | (4) |
| Balance at the end of the period | 5,184 | 1,950 |
| Less: Current portion of share-based payment liability | (1,278) | (1,505) |
| Non-current portion of share-based payment liability | 3,906 | 445 |

18. Revolving commodity facility

In terms of this facility Investec will finance up to 91% of PPM's platinum, palladium and rhodium deliveries. PPM cedes on an out-and-out basis to Investec all rights to payments under its offtake agreement with Impala 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. The outstanding balance bears interest at JIBAR plus 0.50% and is available up to March 31, 2023.

| | Sep 30, 2022 USD'000 | Dec 31, 2021 USD'000 |
|--|----------------------------|----------------------------|
| Balance at the beginning of the period | 31,252 | 5,211 |
| Repayment of drawdown | (101,702) | (85,523) |
| Drawdown from the facility during the period | 84,878 | 114,344 |
| Fair value adjustments to the balances | 1,198 | (956) |
| IFRS 9 Fair value adjustment | 627 | 1,029 |
| Interest accrued | 765 | 619 |
| Subtotal | 17,018 | 34,724 |
| Exchange rate variance | (1,966) | (3,472) |
| Balance at the end of the period | 15,052 | 31,252 |

19. Revenue

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| | Sep 30, 2022 USD'000 | Sep 30, 2021 USD'000 | Sep 30, 2022 USD'000 | Sep 30, 2021 USD'000 |
| Platinum | 10,354 | 9,811 | 29,647 | 47,674 |
| Palladium | 11,875 | 10,357 | 35,262 | 41,938 |
| Rhodium | 15,158 | 12,310 | 52,497 | 86,651 |
| Gold | 789 | 546 | 2,463 | 2,851 |
| Revenue from 4E minerals | 38,176 | 33,024 | 119,869 | 179,114 |
| Other minerals | 3,063 | 3,853 | 18,419 | 18,416 |
| Total revenue from contracts with customers | 41,239 | 36,877 | 138,288 | 197,530 |
| Commodity price adjustment | 809 | (1,366) | (6,985) | 1,804 |
| Total revenue as per statement of profit or loss | 42,048 | 35,511 | 131,303 | 199,334 |

All revenue is from Impala Platinum Limited, minor chrome sales at the spot market.

The increase in revenue for the three months ended September 30, 2022 was a result of an increase in the ounces dispatched and sold which are attributable to the forty (40) days of production that was lost in the three months ended September 30, 2021 following the annual maintenance shutdown of the concentrator plant which was planned for a ten (10) day period starting July 3, 2021, being extended to thirty (30) days due to unscheduled repairs to the tailing's thickener.

The decrease in revenue for the nine months ended September 30, 2022 was a result of lower ounces sold and dispatched which are attributable to lost time as result of community unrest, heavy rainfall and Section 54 notices issued by the DMRE and major repairs on the penstock of the tailing storage facility which resulted in a plant stoppage of 18 days.

Included in the revenue above is the pre-production revenue relating to the East pit, amounting to USD11,409 thousand for the period.

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20. Cost of operations

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|-----------------|---------------------------|------------------|
| | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| On-mine operations | | | | |
| Total materials and mining costs ^(a) | (15,355) | (23,798) | (46,857) | (68,459) |
| Concentrator plant operations | | | | |
| Materials and other costs | (7,985) | (8,011) | (21,532) | (23,841) |
| Utilities | (4,458) | (4,033) | (11,431) | (12,761) |
| Beneficiation | | | | |
| Smelting and refining costs | (2,109) | (2,110) | (6,095) | (8,713) |
| Transport | (70) | (75) | (207) | (334) |
| Salaries | (4,849) | (5,878) | (15,280) | (15,262) |
| Sub-total | (34,826) | (43,905) | (101,402) | (129,370) |
| Amortization and depreciation of operating assets | (1,585) | (1,791) | (4,056) | (5,797) |
| Inventory adjustments | (2,259) | 323 | 829 | (2,591) |
| Total cost of operations | (38,670) | (45,373) | (104,629) | (137,758) |

(a) Mining cost materially lower because of lower volumes mined due to lack of equipment and other operational incidents.

21. Operating profit

Operating profit/(loss) includes:

| | For the three months ended | | For the six months ended | |
|--|----------------------------|-----------------|--------------------------|-----------------|
| | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Admin and general expenses | (11,223) | (8,066) | (28,667) | (21,862) |
| Amortisation and depreciation | (161) | (199) | (570) | (562) |
| Audit fees | - | (146) | (409) | (476) |
| Community projects | (683) | (821) | (2,320) | (2,557) |
| Consulting and professional fees | (3,924) | (2,590) | (5,685) | (4,136) |
| Consumables | (197) | (271) | (500) | (964) |
| Employee expenses | (4,328) | (1,743) | (11,320) | (6,363) |
| Insurance fees | (649) | (432) | (1,556) | (1,296) |
| IT related costs | (236) | (172) | (611) | (554) |
| Learnerships & bursaries | (245) | (124) | (392) | (447) |
| Other admin and general expenses | (96) | (945) | (2,402) | (2,481) |
| Royalty expense | (143) | (182) | (786) | (707) |
| Security | (561) | (441) | (2,116) | (1,319) |
| Foreign exchange gain | 3,278 | 1,765 | 5,343 | 2,150 |
| Fair value gain | 12,695 | - | 12,695 | - |
| Other income/(expenses) ^(a) | 288 | 48 | 1,669 | (2,680) |

(a) Other income includes charges for administration, project management and other services paid by the Kell group totalling USD1.575 million. The 2021 figures include a loss on mining assets sold of USD3.141 million.

22. Earnings per share

22.1 Basic and diluted earnings per share

| | For the three months ended | | For the nine months ended | |
|--|----------------------------|-----------------|---------------------------|-----------------|
| | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| Number of ordinary shares in issue outside the Group (note 13) | 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 | 9,497 | (12,642) | 10,601 | 25,724 |
| Basic earnings/(loss) per share (cents) | 0.31 | (0.41) | 0.34 | 0.83 |
| Diluted earnings/(loss) per share (cents) | 0.31 | (0.41) | 0.34 | 0.83 |

22.2 Headline earnings per share

Reconciliation of profit attributable to the owners of the Company to headline earnings:

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|-----------------|---------------------------|-----------------|
| | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| (Loss)/profit attributable to the owners of the Company | 9,497 | (12,642) | 10,601 | 25,724 |
| <i>Effect of remeasurement items net of tax</i> | | | | |
| Loss on mining assets sold | - | 3,141 | - | 3,141 |
| Profit on disposal of fixed assets | (16) | - | (16) | 3 |
| Profit on assets scrapped | - | 7 | - | 5 |
| Tax effect | 4 | (881) | 4 | (882) |
| Headline earnings/(loss) | 9,485 | (10,376) | 10,589 | 27,991 |
| Headline earnings/(loss) per share (cents) | 0.31 | (0.41) | 0.34 | 0.83 |
| Diluted Headline earnings/(loss) per share (cents) | 0.31 | (0.41) | 0.34 | 0.83 |

23. Financial risk management and financial instruments

23.1 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, 2021. There have been no changes in the risk management policies since year end.

23.2 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.

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

| | Contractual cash flows USD'000 | Less than 6 months USD'000 | Between 6 - 12 months USD'000 | Between 12 - 24 months USD'000 | Between 25 - 60 months USD'000 | Greater than 60 months USD'000 |
|--|--------------------------------------|----------------------------------|--|---|---|--------------------------------------|
| Balances as at September 30, 2022 | | | | | | |
| Long-term borrowings ^(a) | 5,462 | - | - | 5,462 | - | - |
| Stream prepayment ^(b) | 610,808 | 3,827 | 4,152 | 8,232 | 26,760 | 567,838 |
| Trade payables and accrued liabilities | 22,812 | 22,812 | - | - | - | - |
| Revolving commodity facility | 15,052 | 15,052 | - | - | - | - |
| Total financial liabilities | 654,134 | 41,691 | 4,152 | 13,694 | 26,760 | 567,838 |
| Balances as at December 31, 2021 | | | | | | |
| Long-term borrowings ^(a) | 5,289 | - | - | 5,289 | - | - |
| Trade payables and accrued liabilities | 29,029 | 29,029 | - | - | - | - |
| Revolving commodity facility | 31,252 | 31,252 | - | - | - | - |
| Total financial liabilities | 65,570 | 60,281 | - | 5,289 | - | - |

(a) Contractual cash flows include interest payments.

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

23.3. 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 the ruling market prices.
- Stream prepayment**
 The fair 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 the ruling market prices.

23. Financial risk management and financial instruments (continued)

23.3. Accounting classification and measurement of fair values (continued)

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, 2022 USD'000 | | | Dec 31, 2021 USD'000 | | |
|---|-------------------------|---------|---------|-------------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Financial liabilities measured at fair value | | | | | | |
| Revolving commodity facility | - | 15,052 | - | - | 31,252 | - |
| Stream prepayment | - | - | 87,009 | - | - | - |
| Financial assets measured at fair value | | | | | | |
| Trade receivables – Metal sales | - | 50,478 | - | - | 77,783 | - |

As the precious metals price and precious metal price volatilities and risk-adjusted discount rates are unobservable inputs, the financial liabilities above are classified within Level 3 of the fair value hierarchy.

The fair value of the stream obligation was valued using a Monte Carlo simulation model. The significant assumptions developed by management used in the Monte Carlo simulation model included: the platinum, palladium, rhodium and gold forward price curve, the long-term price volatility between 15% and 46%, and a discount rate which factors in the Company's credit spread of 7%, the life of mine production schedule and expectations including expansion plans.

Valuation processes

The valuation of the financial instrument was prepared by an independent valuation specialist under the direct oversight of the Group Reporting Manager of the Company. Discussions of valuation processes and results are held between the Group Reporting Manager, the Chief Financial Officer, and reported to the audit committee at least once every three months, in line with the Company's quarterly reporting periods.

23. Financial risk management and financial instruments (continued)

23.4. Fair value of financial assets and liabilities measured at amortised cost

| | Sep 30, 2022 USD '000 | Dec 31, 2021 USD '000 |
|--|-----------------------------|-----------------------------|
| Restricted cash investments and guarantees | 17,063 | 18,432 |
| Loans receivable | 23,098 | 19,700 |
| Trade receivables | 3,638 | 540 |
| Cash and cash equivalents | 173,040 | 140,595 |
| Total financial assets | 216,839 | 179,267 |
| Long-term borrowings | 4,977 | 5,289 |
| Non-current portion of stream prepayment | 78,903 | - |
| Current portion of stream prepayment | 8,106 | - |
| Trade payables and accrued liabilities | 22,811 | 29,029 |
| Total financial liabilities | 114,797 | 34,318 |

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, loans receivable, and non-current liabilities, all being linked to market related interest rates. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

Notes to the condensed consolidated interim financial statements

Unaudited for the three and nine months ended September 30, 2022

(Expressed in United States Dollars, unless otherwise stated)

24. Segmental information

The segment information provided to the Chief Operating Decision Maker (“CODM”) for the reportable segment for the period ended September 30, 2022, is as follows:

| | For the three months ended | | For the nine months ended | |
|-------------------------------|----------------------------|-----------------|---------------------------|-----------------|
| | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Mining | | | | |
| External revenues | 42,048 | 35,511 | 131,303 | 199,334 |
| Depreciation and amortization | (1,746) | (1,990) | (4,626) | (6,359) |
| Income tax expense | (293) | (2,953) | (10,080) | (13,854) |
| EBITDA | 9,445 | (8,687) | 21,473 | 45,017 |

All revenues reported are from Impala, minor chrome sales at the spot market
Reportable segment reconciliation of profit for the year to EBITDA:

| | For the three months ended | | For the nine months ended | |
|--|----------------------------|-----------------|---------------------------|-----------------|
| | Sep 30, 2022 | Sep 30, 2021 | Sep 30, 2022 | Sep 30, 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Mining | | | | |
| Profit/(loss) for the year | 9,324 | (12,785) | 10,201 | 25,305 |
| Income tax | 293 | 2,953 | 10,080 | 13,854 |
| Depreciation and amortization | 1,746 | 1,990 | 4,626 | 6,359 |
| Net finance (income)/costs | (1,918) | (845) | (3,434) | (501) |
| Total EBITDA for reportable segment | 9,445 | (8,687) | 21,473 | 45,017 |

| | As at Sep 30, 2022 | As at Dec 31, 2021 |
|-------------------|-----------------------|-----------------------|
| | USD'000 | USD'000 |
| Mining | | |
| Total assets | 1,133,245 | 1,179,956 |
| Total liabilities | 152,912 | 86,302 |

25. Related party balances disclosure

| | As at Sep 30, 2022 | As at Dec 31, 2021 |
|--|-----------------------|-----------------------|
| | USD '000 | USD '000 |
| Loan to Kelltech Limited ^(a) | 11,750 | 11,793 |
| Loan to Kellplant Proprietary Limited ^(a) | 7,057 | 2,621 |
| Loan from Corridor Mining Resources Proprietary Limited ^(b) | (4,977) | (5,289) |

a) Refer note 8 for the terms of the loans.

b) Refer note 14 for the terms of the loan.

26. Contingencies and commitments

26.1. Contingencies

There were no changes in the contingencies since the issue of the audited consolidated financial statements for the year ended December 31, 2021.

26.2. Commitments

The Group's contractual obligations are as follows:

Commitments as at September 30, 2022

| Contractual obligations USD'000 | Note | Total | < 1 year | 1-3 years | After 3 years |
|--|-------------|---------------|--------------------|------------------|----------------------|
| Mining costs | (1) | 18,243 | 18,243 | - | - |
| Open Purchase orders | | 26,514 | 26,514 | - | - |
| Total Contractual Obligations | | 44,757 | 44,757 | - | - |

Commitments as at December 31, 2021

| Contractual obligations USD'000 | Note | Total | < 1 year | 1-3 years | After 3 years |
|--|-------------|---------------|--------------------|------------------|----------------------|
| Mining costs | (1) | 30,352 | 30,352 | - | - |
| Open Purchase orders | | 10,398 | 10,398 | - | - |
| Total Contractual Obligations | | 40,750 | 40,750 | - | - |

- (1) Committed mining expenses include the estimated cost that will be incurred by the main mining contractors to carry out the opencast mining operations for the required notice period, should the contract with the main mining contractor be cancelled.

27. Events after the reporting date

The Group has no adjusting post balance sheet events to report at the date of this report. However, the following non-adjusting post balance sheet events occurred:

Investec Revolving Commodity Facility Agreement

On November 2, 2022, the aggregate amount available amount under this facility was decreased from ZAR900 million to ZAR509.850 million, with a maximum tenor of three (3) months. The facility was reduced to current and expected utilization needs. All other terms under the agreement remains the same.