

Kenmare Resources plc
("Kenmare" or the "Company" or "the Group")

26 March 2025

2024 PRELIMINARY RESULTS

Kenmare Resources plc (LSE:KMR, ISE:KMR), one of the leading global producers of titanium minerals and zircon, which operates the Moma Titanium Minerals Mine (the "Mine" or "Moma") in northern Mozambique, today announces its preliminary results for the 12 months to 31 December 2024.

Statement from Tom Hickey, Managing Director:

"In 2024, Kenmare delivered EBITDA of \$157 million, supporting our ability to fund our capital programme and continue to make shareholder distributions. As such, the Board is proposing a full year dividend of US\$32 per share for 2024, bringing shareholder distributions to \$295 million since 2019.

With 2025 well underway, we are on track to achieve our annual production guidance. Production in Q1 has been impacted by the southern hemisphere rainy season but it is expected to strengthen from Q2 onwards. Demand for our products remains healthy, with ilmenite prices beginning to stabilise after a weaker 2024.

Kenmare has always taken a long-term view on our operations and relationships in Mozambique. In negotiating the extension under our Implementation Agreement, we have proposed changes to the applicable investment regime, seeking to balance the Company's interests with the Government's desire to support economic development and secure an increased contribution to Mozambique.

As previously announced, Kenmare received a possible offer for the Company from a consortium consisting of Oryx Global Partners and former Managing Director Michael Carvill. While the Board rejected the offer on the basis it undervalued the business and its prospects, access to limited due diligence information has now been provided with the aim of improving the financial terms of the consortium's proposal. We will provide further updates to the market on the possible offer as appropriate."

2024 overview

Financial

- Recommended 2024 dividend of \$28.6 million or US\$32.00 per share (2023: US\$56.04), comprising an interim dividend of US\$15.00 per share (paid in October 2024) and a final dividend of US\$17.00 per share (payable in May 2025)
- Mineral product revenue of \$392.1 million, down 10% year-on-year ("YoY") due to a 14% decrease in the average price received for Kenmare's products, partially offset by a 4% increase in shipments
- Total cash operating costs of \$243.6 million, up 7% YoY, due primarily to increased labour costs and a 2% increase in production of finished products
- Cash operating costs per tonne of \$219, up 5% YoY, due to higher total cash operating costs, partially offset by stronger production volumes
- EBITDA of \$157.1 million, representing a strong EBITDA margin of 40%, despite weaker product pricing driving a 29% decrease YoY
- Profit after tax of \$64.9 million, down 50% YoY
- Net debt of \$25.0 million (2023: \$20.7 million net cash) due to on-going development capital expenditure

Operational and corporate

- Strong safety performance achieved in Q4 2024 has continued in Q1 2025, with no Lost Time Injuries (“LTIs”) incurred year-to-date and the milestone of four million hours worked without an LTI passed in mid-March
- Kenmare exceeded the midpoint of production guidance for ilmenite and the upper end of the guidance range for primary zircon, rutile and concentrates in 2024
- Heavy Mineral Concentrate (“HMC”) production of 1,446,600 tonnes in 2024, broadly in line with 2023, due to record excavated ore tonnes offset by lower ore grades
- Ilmenite production of 1,008,900 tonnes in 2024, a 2% increase YoY due to higher ilmenite content in the HMC and stronger recoveries
- Shipments of finished products of 1,088,600 tonnes in 2024, up 4% YoY, benefitting from strong customer demand
- Ilmenite production guidance for 2025 is 930,000 to 1,050,000 tonnes
- Work on the Wet Concentrator Plant (“WCP”) A upgrade advanced in 2024, with commissioning to begin in Q3 2025
- Commissioning of Selective Mining Operation (“SMO”) underway at Moma
- Demand continues to be strong for all Kenmare products in early 2025 and although ilmenite prices are lower than in H2 2024, they look to be stabilising
- In connection with the Implementation Agreement (“IA”) extension, Kenmare has proposed certain modifications to the applicable investment regime to obtain the agreement of the Government, notwithstanding its clear right to such an extension – discussions are continuing and Kenmare’s existing rights and benefits remain in full force and effect pending conclusion of the extension process
- As announced on 6 March, Kenmare received a non-binding proposal from Oryx Global Partners Limited (“Oryx”) and Michael Carvill (together, “the Consortium”)

Dividend information and timetable

Kenmare confirms the dates for the proposed 2024 final dividend are as follows:

Ex-dividend date	8 May 2025
Record date	9 May 2025
Currency election date	13 May 2025 at 12:00 noon (IST)
AGM date for shareholder approval	15 May 2025
Payment date	30 May 2025

Irish Dividend Withholding Tax (25%) must be deducted from dividends paid by the Company, unless a shareholder is entitled to an exemption and has submitted a properly completed exemption form to Kenmare’s Registrar.

In relation to the proposed dividend, it should be noted that the Consortium’s non-binding proposal included a term which entitled it to reduce the total consideration it may offer to reflect the gross amount of any dividends, share buy-backs or other distributions which are declared, made, paid or become payable by the Company to its shareholders after 14 February 2025 (the date of its most recent non-binding proposal). As previously announced, the Company’s Board unanimously rejected the Consortium’s non-binding proposal and there can be no certainty that a firm offer will be made, or as to the terms of any such offer, should one be made for the Company.

Analyst and investor conference call and webcast

Kenmare will host a conference call and webcast for analysts, institutional investors, lenders and media today at 09:00 UK time. Participant dial-in numbers for the conference call are as follows (a pin code is not required to access the call):

UK:	+44 20 3481 4247
Ireland:	+353 1 582 2023
US:	+1 (646) 307 1963
Conference ID:	2950424

To register for the webcast click [here](#). A playback of the webcast will be available at www.kenmareresources.com.

Private investor webinar

There will also be a separate webinar for private investors on Friday 28 March 2024 at 12:30pm UK time. To access the webinar, please register in advance by clicking [here](#).

This announcement contains inside information as defined in article 7(1) of the Market Abuse Regulation.

For further information, please contact:

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About Kenmare Resources

Kenmare Resources plc is one of the world's largest producers of mineral sands products. Listed on the London Stock Exchange and the Euronext Dublin, Kenmare operates the Moma Titanium Minerals Mine in Mozambique. Moma's production accounts for approximately 6% of global titanium feedstocks and the Company supplies to customers operating in more than 15 countries. Kenmare produces raw materials that are ultimately consumed in everyday quality-of-life items such as paints, plastics and ceramic tiles.

All monetary amounts refer to United States dollars unless otherwise indicated.

Forward-looking statements

This announcement contains some forward-looking statements that represent Kenmare's expectations for its business, based on current expectations about future events, which by their nature involve risks and uncertainties. Kenmare believes that its expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve risk and uncertainty, which are in some cases beyond Kenmare's control, actual results or performance may differ materially from those expressed or implied by such forward-looking information.

CHAIRMAN'S STATEMENT 2024

2024 was a year of significant leadership transition for Kenmare, marking an exciting new chapter in our company's history. Tom Hickey was appointed as Managing Director in August, following two years as Financial Director. Tom succeeded Michael Carvill, who founded Kenmare and served as Managing Director for almost four decades with distinction.

The theme of transition has been a constant throughout the year, particularly with the significant progress made on the upgrade of our largest mining plant, WCP A, ahead of its relocation to the large Nataka ore zone. Mining Nataka will secure production at the Moma Mine for decades to come, ensuring we continue to deliver value for all stakeholders.

Although our operations performed strongly and we continued to advance our sustainability objectives, the year has presented its challenges, with a weaker product market and political unrest in Mozambique, including in the areas around Moma. We are deeply grateful for the continued dedication of our employees at site and the support of our other partners in Mozambique, including our host communities.

Upgrade of WCP A and transition to Nataka

In June 2024, the Board approved the final part of the Definitive Feasibility Study for the WCP A upgrade, relating to infrastructure. The total capital cost for the project remains in line with previous estimates of \$341 million and we are focused on precise execution and robust financial discipline.

The upgrade of WCP A and its transition to Nataka will not only underpin Moma's production for future decades but it will also ensure that we remain a competitive and resilient player in the global titanium minerals sector. The project has been engineered to retain Kenmare's low-cost position, which will allow us to generate strong cash flow throughout the commodity price cycle, thereby enhancing the long-term sustainability and profitability of the business.

Shareholder returns

The Board is pleased to recommend a 2024 final dividend of US\$17.00 per share (2023: US\$38.54), which brings the total dividend for 2024 to US\$32.00 per share (2023: US\$56.01). Since 2019, we have returned approximately \$295 million to shareholders through dividends and share buy-backs (including the final dividend).

The majority of the remaining capital investment for the WCP A upgrade and transition is scheduled to be incurred during 2025 and we will continue to balance our investment in the business with our commitment to making shareholder returns and retaining a strong balance sheet.

Sustainability

In 2024, Kenmare is reporting for the first time in accordance with the Irish transposition of the European Union's Corporate Sustainability Reporting Directive (CSRD). Over the past year, the Board has engaged closely with the CSRD process to ensure that our reporting accurately reflects the full scope of our environmental, social, and governance performance, as well as the risks and opportunities related to sustainability. This process has involved extensive collaboration between the Board, the Executive Committee, the team at Moma, and our external advisors to ensure that we meet the rigorous standards of the CSRD, while also reinforcing our dedication to responsible business practices and transparency.

In 2024 we achieved our lowest-ever All Injury Frequency Rate (AIFR) of 0.93 per 200,000 hours worked, a testament to our rigorous safety protocols. We also exceeded our target of reducing emissions by 12% by the end of 2024, relative to our 2021 baseline. This was primarily achieved through our investment in the Rotary Uninterruptible Power Supply in 2021, which has reduced Moma's reliance on diesel-powered generators.

Implementation Agreement

We look forward to the extension of Kenmare's rights under Moma's IA being concluded in an orderly manner, which will provide a solid foundation for future investment. We will continue to engage constructively with the Government of Mozambique and in the meantime, we are processing minerals and exporting final products as normal. The mining operations are subject to a separate legal regime under which no extension is required until 2029.

Board development and effectiveness

As part of the leadership transition in 2024, we saw Michael Carvill step down after 38 years from both his executive role and his position on the Board. Tom Hickey was appointed to succeed Michael, following a thorough process by the Nomination Committee, involving internal and external candidates. Having previously served on the Board in his capacity as Financial Director, Tom is now the sole Executive Director, ensuring alignment between executive leadership and Board oversight.

Following Tom's transition to Managing Director, in December 2024 we announced the appointment of James McCullough as our new Chief Financial Officer, who will be joining the Company on 1 May 2025. James brings a wealth of technical, financial and strategic expertise, having previously served as General Manager – Group Strategy at Rio Tinto plc.

As part of our commitment to strong governance, the performance of the Board is reviewed annually. In 2024 the Board decided that a deferral of the external Board performance review until 2025 would be beneficial, given the significant leadership changes during the year. As a result, in late 2024, a Board performance review was carried out internally. The review found that the Board, Committees and Chair performed effectively during 2024 but suggested changes to Board meeting papers and structure. These will be incorporated, where appropriate, into the Board objectives for 2025 and an action plan.

Outlook

As we announced on 6 March 2025 in response to press speculation, Kenmare received a non-binding proposal from a consortium consisting of Oryx and Michael Carvill regarding a possible all cash offer for the Company. The most recent proposal received was at a price of 530 pence per Kenmare share. The Board considered the terms of the Consortium's proposal and unanimously rejected it on the basis that it undervalued our business and its future potential. However, to facilitate the improvement of the financial terms of its proposal, Kenmare has now provided the Consortium with access to limited due diligence information. We will provide further updates on the possible offer as appropriate.

We are acutely aware that we are living through uncertain times, with an increasingly complex geopolitical landscape and a challenging global economic backdrop. These factors present a degree of unpredictability that can affect all aspects of our business from our operations to the market. However, I remain optimistic about Kenmare's future. We have a strong, capable team, a tier-one asset, and a market-leading position in the industry.

Our continued success will also be driven by our commitment to our purpose of "Transforming resources into opportunity for all." We will continue to live up to this purpose in the years ahead as we strive to deliver value for all stakeholders, including our employees, host communities, shareholders, customers and other partners, both in Mozambique and globally.

Acknowledgements

In closing, I would like to extend my thanks to everyone who has contributed to Kenmare's continued success over the past year. I am grateful to my colleagues on the Board for their strategic insight, as well as to Kenmare's employees and contractors for their professionalism and expertise. Our operations are deeply embedded in the villages surrounding Moma, and I would like to express my sincere appreciation to the local communities for their ongoing support and partnership.

To our shareholders and other valued stakeholders, thank you for your trust and confidence in Kenmare. As we move forward into another year, we do so with a shared commitment to delivering on our strategic

objectives and making a positive impact for all. I am confident that, with the strength of our team and the resilience of our business model, we will continue to navigate the challenges ahead and seize the opportunities that lie before us.

Andrew Webb
Chairman

MANAGING DIRECTOR'S STATEMENT

It is with great pleasure that I present my first Managing Director's statement, following my appointment in August 2024. It is a privilege to succeed Michael Carvill, whose leadership of Kenmare for 38 years saw it grow from a pure exploration business to occupy a leading position in the global mineral sands industry.

During 2024 we articulated a clear purpose for the Company: "Transforming resources into opportunity for all." The purpose statement was developed through an extensive consultation process involving employees at all levels of the business. It encapsulates our commitment to using our extensive Mineral Resources, financial strength, and experienced team to create value for all stakeholders, from employees and communities to shareholders, customers and host Government.

2024 was a year of strong operational performance. We exceeded the midpoint of our ilmenite production guidance and achieved the upper end of guidance for all other products. We also made significant progress on the project to upgrade our largest mining plant, WCP A, and transition it to the Nataka ore zone. The project budget remains in line with previous guidance of \$341 million, with commissioning of the plant's new module and the two new higher capacity dredges to begin in Q3 2025.

Despite weaker market conditions, we delivered a solid financial performance. EBITDA was \$157.1 million, with a strong EBITDA margin of 40%, in line with our expectations. The Board is recommending a dividend of US\$32.00 per share for 2024.

Nonetheless, 2024 had its difficulties, with the October general election in Mozambique leading to protests and disruption across the country, including near Moma. Despite these challenges, the resilience and dedication of our team on site was unwavering, and I would like to extend my sincere thanks to them.

As we announced on 6 March 2025, Kenmare received an unsolicited proposal from a consortium comprising Oryx and Michael Carvill regarding a possible all cash offer for the Company. We will update the market on this approach in line with the Irish Takeover Rules, however throughout this process, our focus continues to be on safe and efficient delivery in our day-to-day operations and development projects.

Safety

Safety remains our highest priority and I am pleased to report that we continued to improve our safety performance in 2024. In December, we achieved two million hours worked without a Lost Time Injury and in mid-March 2025 this increased to four million hours. Our Lost Time Injury Frequency Rate for the year improved to 0.06, compared to 0.15 in 2023, and we achieved our lowest-ever All Injury Frequency Rate of 0.93, reflecting our strong safety culture and the success of the "Trabalho Seguro" or "Safe Work" campaign.

However, we were deeply saddened by two fatalities that occurred during the year. The first fatality was found to be the consequence of criminal behaviour, resulting in prison sentences for those found responsible. The second fatality was outside of the Company's direct area of operation, where the Development Projects team were transporting a pontoon by road to the Mine under escort. Tragically, a member of the public was hit by the moving convoy. Both incidents were fully investigated and were deemed non-recordable according to the International Council on Mining and Metals safety accounting principles that we use. Ensuring the safety and wellbeing of everyone associated with our activities is a priority for Kenmare and we are focused on improvement in 2025 and beyond.

Sustainability

A personal highlight of 2024 was attending the Long Service Awards Ceremony at Moma in September, where nearly 400 team members were recognised for their 10, 15, 20, 25, and even 30 years of service.

Kenmare has always had a strong commitment to our host communities. We established the Kenmare Moma Development Association (“KMAD”) over 20 years ago and 2024 highlights included commencing construction of a district hospital and providing funding for 28 new small businesses.

On the environmental front, we are proud to have exceeded our target of a 12% reduction in our emissions (Scope 1&2) between 2021 and 2024. We have now set 2030 targets, including a 30% reduction in our emissions, relative to a 2021 baseline, which put us firmly on the path to achieve our Net Zero ambition by 2040.

Operational performance

In 2024 we produced over one million tonnes of ilmenite; this achievement was supported by record excavated ore volumes due to improved mining conditions that allowed throughputs to reach their highest ever annual rates. We also exceeded the upper end of the guidance ranges for all other products, benefitting from improved recoveries.

Shipments rose by 4% in 2024 compared to 2023, driven by consistently strong customer demand and increased production. As part of our continued focus on margin expansion, we shipped a new concentrates product on a trial basis in Q3, which is being sold commercially in 2025.

Capital projects

2024 saw significant progress on the upgrade of WCP A, ahead of its transition to the Nataka ore zone, which hosts over 70% of Moma’s nine billion tonnes of Mineral Resources. The principal components of the new WCP A module were on site by year-end, including the upfront desliming circuit, surge bin, and screens, and the module is expected to be commissioned in Q3. Work on the two new higher capacity dredges is progressing well, with fabrication due to complete in Q2, and commissioning expected in Q3. Construction of the Tailings Storage Facility began in Q1 and it is due to be commissioned in Q4. We expect to see production benefits from Q4 and by year-end 2025 we anticipate to have incurred more than 75% of the capital cost of \$341 million.

Kenmare also introduced a new Selective Mining Operation in 2024 and it is already contributing to production for 2025. The SMO is designed to produce approximately 50,000 tonnes of Heavy Mineral Concentrate per annum and will support ilmenite production in 2025 at levels broadly in line with 2024, despite the downtime for WCP A required to facilitate the dredge replacement and plant upgrade. Due to its simple, modular design, the capital expenditure for the SMO is forecast to be less than \$6 million.

Product market

In 2024, demand for Kenmare’s products remained resilient, supported by strong pigment production in China and Europe and the continued growth of the titanium metal market. However, pricing was impacted by an increase in the supply of concentrates to China, leading to a 14% decrease in our average price received.

While the titanium minerals market saw positive demand trends, the zircon market remained challenging in 2024 due to weakness in the Chinese market.

Despite these short-term pressures, titanium’s strategic importance continues to grow. Several regions, including Europe and the United States, have designated it as a critical mineral. The Company’s high product quality, diverse product suite and long mine life make us a preferred partner, including for new customers signed in early 2025, and ensures we are well-equipped to manage market fluctuations.

Implementation Agreement

In connection with the IA extension, Kenmare has proposed certain modifications to the applicable investment regime to obtain the agreement of the Government of Mozambique, notwithstanding its clear right to such an extension. The Company's most recent proposal provided for, *inter alia*, an increase in the turnover tax applicable to Kenmare Moma Processing (Mauritius) Limited ("KMPL") from 1% to 2.5%; the application of withholding tax on payments to non-Mozambican suppliers providing services out of country (including inter-company services provided to KMPL by Kenmare Resources plc); and, further capital investments and contributions to community development projects by KMAD during the 20-year extension period. Although the proposal was not approved by the Mozambican Council of Ministers, Kenmare remains committed to engaging constructively with all parties while reserving the right to safeguard its contractual entitlements via all means, including international arbitration, if an agreement cannot be reached. Although the original expiry date was 21 December 2024, the Ministry of Industry and Commerce provided confirmation that Kenmare's existing rights and benefits remain in full force and effect pending conclusion of the extension process.

Outlook and acknowledgements

As 2025 progresses, we see strong demand for our products continuing, enabling us to generate strong cash flow even during periods of weaker pricing. This resilience in our business model will be critical as we continue to execute our important development projects.

We are excited to welcome James McCullough as our new Chief Financial Officer, who will be joining Kenmare on 1 May 2025. James brings a wealth of technical, financial, and strategic experience, with keen financial discipline being particularly important as we progress our capital programme.

On a personal note, I would like to express my sincere thanks for the support and encouragement I have received during my first seven months as Managing Director and I look forward to continuing to work alongside such a talented and committed team. I would also like to extend my gratitude to our shareholders, customers, and partners in Mozambique for their continued support.

Our purpose of "Transforming resources into opportunity for all" will continue to guide us as we strive to create sustainable value for all stakeholders. Together, we are well-positioned to navigate the future with confidence and I look forward to the continued success of Kenmare in the years to come.

Tom Hickey
Managing Director

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		UNAUDITED 2024 \$'000	2023 \$'000
	NOTES		
Revenue	2	414,747	458,477
Cost of sales	4	(319,371)	(294,927)
Gross profit		95,376	163,550
Administration expenses	4	(6,160)	(8,426)
Operating profit		89,216	155,124
Finance income	5	3,638	5,904
Finance costs	5	(10,784)	(11,118)
Profit before tax		82,070	149,910
Income tax expense	6	(17,179)	(18,928)
Profit for the financial year and total comprehensive income for the financial year		64,891	130,982
Attributable to equity holders		64,891	130,982

		\$ PER SHARE	\$ PER SHARE
Basic earnings per share	7	0.73	1.41
Diluted earnings per share	7	0.71	1.37

The accompanying notes form part of these financial statements.

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	NOTES	UNAUDITED 2024 \$'000	2023 \$'000
Assets			
Non-current assets			
Property, plant and equipment	8	1,017,973	935,848
Right-of-use assets	9	1,095	1,368
		1,019,068	937,216
Current assets			
Inventories	10	112,796	99,257
Trade and other receivables	11	119,494	153,650
Current tax assets	17	1,278	-
Cash and cash equivalents	12	56,683	71,048
		290,251	323,955
Total assets		1,309,319	1,261,171
Equity			
Capital and reserves attributable to the			
Company's equity holders			
Called-up share capital	13	97	97
Share premium		545,950	545,950
Other reserves		229,274	229,740
Retained earnings		385,763	367,504
Total equity		1,161,084	1,143,291
Liabilities			
Non-current liabilities			
Bank loans	14	77,991	15,502
Lease liabilities	9	971	1,256
Provisions	15	20,007	20,877
		98,969	37,635
Current liabilities			
Bank loans	14	-	32,371
Lease liabilities	9	285	264
Trade and other payables	16	47,755	38,564
Current tax liabilities	17	-	6,921
Provisions	15	1,226	2,125
		49,266	80,245
Total liabilities		148,235	117,880
Total equity and liabilities		1,309,319	1,261,171

The accompanying notes form part of these financial statements.

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	UNAUDITED CALLED-UP SHARE CAPITAL \$'000	UNAUDITED SHARE PREMIUM \$'000	UNAUDITED OTHER RESERVES \$'000	UNAUDITED RETAINED EARNINGS \$'000	UNAUDITED TOTAL \$'000
Balance at 1 January 2023	104	545,950	232,759	324,721	1,103,534
Total comprehensive income for the year					
Profit for the financial year	—	—	—	130,982	130,982
Total comprehensive income for the year	—	—	—	130,982	130,982
Transactions with owners of the Company - Contributions and distributions					
Recognition of share-based payment expense	—	—	3,278	—	3,278
Exercise of share-based payment awards	—	—	(3,512)	(2,197)	(5,709)
Shares acquired by the Kenmare Employee Benefit Trust	—	—	(6,182)	—	(6,182)
Shares distributed by the Kenmare Employee Benefit Trust	—	—	3,390	—	3,390
Tender offer share buy-back	(7)	—	7	(29,963)	(29,963)
Share buy-back transaction costs	—	—	—	572	572
Dividends paid	—	—	—	(56,611)	(56,611)
Total contributions and distributions	(7)	—	(3,019)	(88,199)	(91,225)
Balance at 1 January 2024	97	545,950	229,740	367,504	1,143,291
Total comprehensive income for the year					
Profit for the financial year	-	-	-	64,891	64,891
Total comprehensive income for the year	-	-	-	64,891	64,891
Transactions with owners of the Company - Contributions and distributions					
Recognition of share-based payment expense	-	-	3,584	-	3,584
Exercise of share-based payment awards	-	-	(3,244)	1,486	(1,758)
Shares acquired by the Kenmare Employee Benefit Trust	-	-	(3,169)	-	(3,169)
Shares distributed by the Kenmare Employee Benefit Trust	-	-	2,363	-	2,363
Dividends paid	-	-	-	(48,118)	(48,118)
Total contributions and distributions	-	-	(466)	(46,632)	(47,098)
Balance at 31 December 2024	97	545,950	229,274	385,763	1,161,084

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		UNAUDITED 2024 \$'000	2023 \$'000
	NOTES		
Cash flows from operating activities			
Profit for the financial year after tax		64,891	130,982
Adjustment for:			
Expected credit losses	18	177	46
Share-based payments		3,584	3,278
Finance income	5	(3,638)	(5,904)
Finance costs	5	10,784	11,118
Income tax expense	6	17,179	18,928
Depreciation	8, 9	67,969	65,122
		160,946	223,570
Change in:			
Provisions		1,496	1,341
Inventories		(13,539)	(15,086)
Trade and other receivables		33,978	(29,529)
Trade and other payables		7,976	299
Exercise of share-based payment awards		606	(2,319)
Cash generated from operating activities		191,463	178,276
Income tax paid		(25,378)	(21,119)
Interest received		3,638	5,756
Interest paid	9, 14	(5,216)	(7,323)
Factoring and other trade facility fees	5	(2,592)	(1,467)
Debt commitment fees paid and other fees	5	(2,085)	(928)
Net cash from operating activities		159,830	153,195
Investing activities			
Additions to property, plant and equipment	8	(152,591)	(66,540)
Net cash used in investing activities		(152,591)	(66,540)
Financing activities			
Dividends paid		(48,118)	(56,611)
Tender offer share buy-back		-	(29,963)
Tender offer share buy-back transaction costs		-	572
Market purchase of equity under Kenmare Restricted Share Plan		(3,169)	(6,182)
Drawdown of debt	14	131,370	-
Repayment of debt	14	(98,512)	(31,429)
Transaction costs of debt	14	(2,911)	-
Payment of lease liabilities	9	(264)	(265)
Net cash used in financing activities		(21,604)	(123,878)
Net decrease in cash and cash equivalents		(14,365)	(37,223)
Cash and cash equivalents at the beginning of the financial year		71,048	108,271
Cash and cash equivalents at the end of the financial year	12	56,683	71,048

UNAUDITED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. Statement of accounting policies

Kenmare Resources plc (the “Company”) is domiciled in the Republic of Ireland. The Company’s registered address is Styne House, Hatch Street Upper, Dublin 2. The Company has an Equity Shares (commercial) listing on the Main Market of the London Stock Exchange and a secondary listing on Euronext Dublin. These consolidated financial statements comprise the Company and its subsidiaries (the “Group”). The principal activity of the Group is the operation and further development of the Moma Titanium Minerals Mine in Mozambique.

On 25 March 2025, the Directors approved the preliminary results for publication. While the consolidated financial statements for the year ended 31 December 2024, from which the preliminary results have been extracted, are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, these preliminary results do not contain sufficient information to comply with IFRS. The Directors expect to publish on 14 April 2025 the full financial statements that comply with IFRS as adopted by the European Union.

The auditor, KPMG, has not yet issued their audit opinion on the financial statements in respect of the year ended 31 December 2024. The financial information included within this unaudited preliminary results statement for the year ended 31 December 2024 does not constitute the statutory financial statements of the Group within the meaning of section 293 of the Companies Act 2014. The Group financial information in this preliminary statement for the year ended 31 December 2024 is unaudited. A copy of the statutory financial statements in respect of the year ended 31 December 2024 will be annexed to the next annual return and filed with the Registrar of Companies.

The Group financial information for the year ended 31 December 2023 included in this preliminary statement represents an abbreviated version of the Group’s financial statements for that year. The statutory financial statements for the Group for the year ended 31 December 2023, upon which the auditor, KPMG, has issued an unqualified opinion, were annexed to the annual return of the Company and filed with the Registrar of Companies.

None of the new and revised standards and interpretations which are effective for accounting periods beginning on or after 1 January 2024, have a material effect on the Group’s financial statements.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFR Interpretations Committee (IFRIC) as adopted by the EU and those parts of the Companies Act 2014 applicable to companies reporting under IFRS and Article 4 of the IAS Regulation.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have or will have adequate resources to continue in operational existence for the foreseeable future. Based on the Group’s cash flow forecast, liquidity, solvency position and available finance facilities, the Directors have a reasonable expectation that the Group has adequate resources for the foreseeable future and, therefore, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Group forecast has been prepared by management with best estimates of production, pricing and cost assumptions over the period. Key assumptions upon which the Group forecast is based include a mine plan covering production using the Namalope, Nataka, Pilivilil and Mualadi Ore Reserves and Mineral Resources. Specific Mineral Resource material is included only where there is a high degree of confidence in its economic extraction. Production levels for the purpose of the forecast are approximately 1.1 million tonnes per annum of ilmenite plus co-products, zircon, concentrates and rutile, over the next twelve months. Assumptions for product sales prices are based on contract prices as stipulated in marketing agreements with customers or, where contract prices are based on market prices or production is not presently contracted, prices are forecast taking into account independent expertise on mineral sands products and management expectations. Operating costs are based on approved budget costs for 2025, taking into account the current running costs of the Mine and escalated by 2% per annum thereafter. Capital costs are based on the capital plans and include escalation at 2% per annum. The 2025 operating costs and forecast capital costs take into account the current inflationary environment. The 2% inflation rate used from 2026 to escalate these costs over the life of mine is an estimated long-term inflation rate.

The Implementation Agreement governs the terms under which Kenmare conducts its mineral processing and export activities. Mining operations are conducted under a separate regulatory framework, which is not impacted in any way by the IA process. The IA granted certain rights and benefits for a period of 20 years to 21 December 2024, subject to extension upon request.

Kenmare has been engaging constructively with the Government of Mozambique regarding the extension and, in connection with the extension, has proposed certain modifications to the applicable investment regime. However, the timetable for the extension extended beyond 21 December 2024.

In the meantime, the Ministry of Industry and Commerce, has confirmed that the Company’s existing rights and benefits remain in full force and effect pending finalisation of the extension and that Kenmare can continue to process minerals and export final products in the same manner as it currently does.

Sensitivity analysis is applied to the assumptions above to test the robustness of the cash flow forecasts for changes in market prices, shipments and operating and capital cost assumptions. Changes in these assumptions affect the level of sales and profitability of the

Group and the amount of capital required to deliver the projected production levels. As a result of this assessment, the Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the 12 month period from the date of authorisation of these financial statements.

2. Revenue

	2024 \$'000	2023 \$'000
Revenue from contracts with customers		
Revenue derived from the sale of mineral products	392,052	437,091
Revenue derived from freight services	22,695	21,386
Total revenue	414,747	458,477

Revenue by mineral product

The principal categories for disaggregating mineral products revenue are by product type and by country of the customer's location. The mineral product types are ilmenite, zircon, rutile and concentrates. Concentrates includes secondary zircon and mineral sands concentrates.

During the financial year, the Group sold 1,088,600 tonnes (2023: 1,045,200 tonnes) of finished products to customers at a sales value of \$392.1 million (2023: \$437.1 million). The Group earned revenue derived from freight services of \$22.7 million (2023: \$21.4 million).

	2024 \$'000	2023 \$'000
Revenue derived from sales of mineral products by primary product		
Ilmenite	291,622	315,138
Primary zircon	70,952	79,628
Concentrates	21,452	31,046
Rutile	8,026	11,279
Total revenue from mineral products	392,052	437,091
Revenue derived from freight services	22,695	21,386
Total revenue	414,747	458,477

Revenue by destination

In the following table, revenue is disaggregated by primary geographical market. The Group allocates revenue from external customers to individual countries and discloses revenues in each country where revenues represent 10% or more of the Group's total revenue. Where total disclosed revenue disaggregated by country constitutes less than 75% of total Group revenue, additional disclosures are made on a regional basis until at least 75% of the Group's disaggregated revenue is disclosed. There were no individual countries within Europe, Asia (excluding China) or the Rest of the World with revenues representing 10% or more of the Group's total revenue during the year.

	2024 \$'000	2023 \$'000
Revenue derived from sales of mineral product by destination		
China	146,434	177,511
Europe	83,363	86,238
Asia (excluding China)	103,074	76,535
USA	59,181	52,826
Rest of the World	-	43,981
Total revenue from mineral products	392,052	437,091
Revenue derived from freight services	22,695	21,386
Total Revenue	414,747	458,477

Revenue by major customers

The Group evaluates the concentration of mineral product revenue by major customer. The following table disaggregates mineral product revenue from the Group's four largest customers.

	2024 \$'000	2023 \$'000
Revenue from external customers		
Largest customer	58,934	69,023
Second largest customer	44,350	41,616
Third largest customer	43,520	32,999
Fourth largest customer	25,531	31,844
Total	172,335	175,482

All Group revenues from external customers are generated by the Moma Titanium Minerals Mine in Mozambique. Further details on this operating segment can be found in Note 3. Sales to and from Ireland were \$nil (2023: \$nil) in the year.

3. Segment reporting

Information on the operations of the Moma Titanium Minerals Mine in Mozambique is reported to the Executive Committee for the purposes of resource allocation and assessment of segment performance. The Executive Committee report to the Board on the performance of the Group. Information regarding the Group's operating segment is reported below:

	2024			2023		
	CORPORATE \$'000	MOZAMBIQUE \$'000	TOTAL \$'000	CORPORATE \$'000	MOZAMBIQUE \$'000	TOTAL \$'000
Revenue & Results						
Revenue*	-	414,747	414,747	-	458,477	458,477
Cost of sales	-	(319,371)	(319,371)	-	(294,927)	(294,927)
Gross profit	-	95,376	95,376	-	163,550	163,550
Administrative expenses	(9,137)	2,977	(6,160)	(6,867)	(1,559)	(8,426)
Segment operating profit	(9,137)	98,353	89,216	(6,867)	161,991	155,124
Finance income	1,349	2,289	3,638	2,585	3,319	5,904
Finance expenses	(59)	(10,725)	(10,784)	(40)	(11,078)	(11,118)
Profit before tax	(7,847)	89,917	82,070	(4,322)	154,232	149,910
Income tax expense	(7,157)	(10,022)	(17,179)	(7,156)	(11,772)	(18,928)
Profit for the financial year	(15,004)	79,895	64,891	(11,478)	142,460	130,982
Segment Assets & Liabilities						
Segment Assets	9,571	1,299,748	1,309,319	40,918	1,220,253	1,261,171
Segment Liabilities	4,514	143,721	148,235	10,392	107,488	117,880
Additions to non-current assets						
Segment Additions to non-current assets	-	153,805	153,805	-	69,730	69,730

* Revenue excludes inter-segment revenue of \$22.8 million (2023: \$22.7 million) earned by the corporate segment relating to marketing and management services fee income. Inter-segment revenue is not regularly reviewed by the Chief Operating Decision Maker.

Corporate assets consist of the Company's property, plant and equipment including right-of-use assets, cash and cash equivalents and prepayments at the reporting date. Corporate liabilities consist of trade and other payables at the reporting date.

4. Cost and income analysis

	2024 \$'000	2023 \$'000
Expenses by function		
Cost of sales	319,371	294,927
Administrative expenses	6,160	8,426
Total	325,531	303,353

Expenses by nature can be analysed as follows:

	2024 \$'000	2023 \$'000
Expenses by nature		
Staff costs	68,499	58,252
Repairs and maintenance	40,734	42,278
Power and fuel	48,760	47,791
Freight	22,695	21,386
Other production and operating costs	89,265	83,274
Movement of mineral products inventory	(12,390)	(14,750)
Depreciation of property, plant and equipment and right-of-use assets	67,968	65,122
Total	325,531	303,353

Mineral products consist of finished products and Heavy Mineral Concentrate as detailed in Note 10. Mineral stock movement in the year was an increase of \$12.4 million (2023: \$14.7 million increase). Freight costs of \$22.7 million (2023: \$21.4 million) arise from sales to customers on a CIF or CFR basis. There were no exceptional items within operating profit in 2024 (2023: \$nil).

5. Net finance costs

	2024 \$'000	2023 \$'000
Finance costs		
Interest on bank borrowings	(3,863)	(7,935)
Transaction costs on debt financing	(1,398)	-
Interest on lease liabilities	(126)	(112)
Factoring and other trade facility fees	(2,592)	(1,467)
Commitment and other fees	(2,085)	(928)
Unwinding of discount on mine closure provision	(720)	(676)
Total finance costs	(10,784)	(11,118)
Interest earned on bank deposits	3,638	5,904

Total finance income	3,638	5,904
Net finance costs recognised in profit or loss	(7,146)	(5,214)

All interest has been expensed in the financial year. The Group has classified factoring and other trade facility fees in net cash from operating activities in the Consolidated Statement of Cashflows. Transaction costs relating to the 2019 debt of \$0.9 million were recognised in the year as the debt was extinguished. Transaction cost of \$2.9 million were incurred in relation to the new Revolving Credit Facility ("RCF") of \$200 million which was entered into on 4 March 2024 and \$0.5 million have been recognised in the year.

6. Income tax expense

	2024	2023
	\$'000	\$'000
Corporation tax	17,179	18,928
Deferred tax	-	-
Total	17,179	18,928
Reconciliation of effective tax rate		
Profit before tax	82,070	149,910
Profit before tax multiplied by the applicable tax rate (12.5%)	10,259	18,739
Under/(over) provision in respect of prior years	2,046	(219)
Non-taxable income	(1,351)	(9,434)
Non-deductible expenses	458	1,204
Differences in effective tax rates on overseas earnings	5,767	8,638
Total	17,179	18,928

During the year, Kenmare Moma Mining (Mauritius) Limited ("KMML") Mozambique Branch had taxable profits of \$27.7 million (2023: \$34.1 million), resulting in an income tax expense of \$10.0 million (2023: \$11.7 million) being recognised. The income tax rate applicable to taxable profits of KMML Mozambique Branch is 35% (2023: 35%).

KMML Mozambique Branch has elected, and the fiscal regime applicable to mining allows for, the option to deduct, as an allowable deduction, depreciation of exploration and development expense and capital expenditure over the life of mine. Tax losses may be carried forward for three years. There are no tax losses carried forward at 31 December 2024.

Kenmare Moma Processing (Mauritius) Limited ("KMPL") Mozambique Branch has Industrial Free Zone (IFZ) status. As an IFZ Branch, it is exempted from corporation taxes and hence its income is non-taxable.

During the year, Kenmare Resources plc had taxable profits of \$53.5 million (2023: \$89.2 million) as a result of management and marketing service fee income earned on services provided to subsidiary undertakings and dividend income earned from subsidiary undertakings, resulting in a corporate tax expense of \$7.1 million (2023: \$7.2 million). There was an under provision in the prior year of \$2.0 million (2023: \$nil) recognised in the year.

7. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2024 \$'000	2023 \$'000
Profit for the financial year attributable to equity holders of the Company	64,891	130,982
	2024 NUMBER OF SHARES	2023 NUMBER OF SHARES
Weighted average number of issued ordinary shares for the purpose of basic earnings per share	89,228,161	93,126,115
Effect of dilutive potential ordinary shares:		
Share awards	2,699,029	2,437,495
Weighted average number of ordinary shares for the purposes of diluted earnings per share	91,927,190	95,563,610
	\$ PER SHARE	\$ PER SHARE
Basic earnings per share	0.73	1.41
Diluted earnings per share	0.71	1.37

8. Property, plant and equipment

	PLANT AND EQUIPMENT \$'000	DEVELOPMENT EXPENDITURE \$'000	CONSTRUCTION IN PROGRESS \$'000	OTHER ASSETS \$'000	TOTAL \$'000
Cost					
At 1 January 2023	1,035,604	260,051	50,773	77,390	1,423,818
Additions during the financial year	—	—	69,703	27	69,730
Transfer from construction in progress	20,144	13,095	(40,391)	7,152	—
Disposals	(415)	—	—	(9,429)	(9,844)
Adjustment to mine closure cost	241	—	—	—	241
At 31 December 2023	1,055,574	273,146	80,085	75,140	1,483,945
Additions during the financial year	1,858	14	151,933	—	153,805
Transfer from construction in progress	3,454	3,363	(14,094)	7,277	—
Disposals	—	—	—	(6,207)	(6,207)
Adjustment to mine closure cost	(3,985)	—	—	—	(3,985)
At 31 December 2024	1,056,901	276,523	217,924	76,210	1,627,558
Accumulated depreciation					
At 1 January 2023	304,318	147,868	—	40,873	493,059
Charge for the financial year	44,928	8,952	—	11,002	64,882
Disposals	(415)	—	—	(9,429)	(9,844)
At 31 December 2023	348,831	156,820	—	42,446	548,097
Charge for the financial year	47,976	9,438	—	10,281	67,695
Disposals	—	—	—	(6,207)	(6,207)
At 31 December 2024	396,807	166,258	—	46,520	609,585
Carrying amount					
At 31 December 2024	660,094	110,265	217,924	29,690	1,017,973
At 31 December 2023	706,743	116,326	80,085	32,694	935,848

An adjustment to the mine closure cost of \$4.0 million (2023: \$0.2 million) was made during the year as a result of an update in the mine closure cost estimate as detailed in Note 15.

At each reporting date, the Group assesses whether there is any indication that property, plant and equipment may be impaired. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators for impairment. As at 31 December 2024, the market capitalisation of the Group was below the book value of net assets, which is considered an indicator of impairment. The Group carried out an impairment review of property, plant and equipment as at 31 December 2024. As a result of the review, and given the performance and outlook of the Group, no impairment provision was recognised in the current financial year. No impairment was recognised in the prior financial year. Given the historic volatility in mineral product pricing and sensitivity of the forecast to mineral product pricing, the discount rate and to a lesser extent operating costs, the impairment loss of \$64.8 million, which was recognised in the consolidated statement of comprehensive income in 2014, was not reversed.

The cash-generating unit for the purpose of impairment testing is the Moma Titanium Minerals Mine. The basis on which the Mine is assessed is its value in use. The cash flow forecast employed for the value in use computation is from a life of mine financial model. The value in use methodology has changed from using a life of mine discounted cashflow to using the next five years cashflows and then using year five as a basis for the remaining 35 year to align with the 40 year life of mine assumption. The recoverable amount obtained from the financial model represents the present value of the future discounted pre-tax, pre-finance cash flows discounted at 13.41% (2023: 12%).

Key assumptions include the following:

- The discount rate is based on the Group's weighted average cost of capital. This rate is a best estimate of the current market assessment of the time value of money and the risks specific to the Mine, taking into consideration country risk, currency risk and price risk. The factors making up the cost of equity and cost of debt have changed from the prior year review, resulting in a discount rate of 13.41% (2023: 12%).

In connection with the October 2024 elections, significant political and social unrest was experienced in Mozambique, including in Maputo and in the vicinity of Moma, although it did not impact materially on the Mine's operations. However, the unrest has substantially subsided since the formation of a new government. Based on this, the Group's estimation of the country risk premium included in the discount rate has remained unchanged from the prior year. The Group does not consider it appropriate to apply the full current country risk premium for Mozambique to the calculation of the Group's weighted average cost of capital as it believes the specific circumstances which have impacted on the risk premium in recent years are not relevant to the specific circumstances of the Moma Mine. Hence, country risk premium applicable to the calculation of the cost of equity has been adjusted accordingly.

Using a discount rate of 13.41%, the recoverable amount is greater than the carrying amount by \$83.0 million (2023: \$374.0 million). The discount rate is a significant factor in determining the recoverable amount. A 0.8% increase in the discount rate to 14.21% reduces the recoverable amount by \$83.0 million to \$nil, assuming all other inputs remain unchanged. The decrease in the recoverable amount from the prior year is a result of the increase in the discount rate and reduced cash flows as a result of increased operating costs over the life of the Mine.

- The Implementation Agreement governs the terms under which Kenmare conducts its mineral processing and export activities. Mining operations are conducted under a separate regulatory framework, which is not impacted in any way by the IA process. The IA granted certain rights and benefits for a period of 20 years to 21 December 2024, subject to extension upon request. Kenmare has been engaging constructively with the Government of Mozambique regarding the extension and, in connection with the extension, has proposed certain modifications to the applicable investment regime. However, the timetable for the extension has extended beyond 21 December 2024. In the meanwhile, the Ministry of Industry and Commerce, has confirmed that the Company's existing rights and benefits remain in full force and effect pending conclusion of the process and that Kenmare can continue to process minerals and export final products in the same manner as it currently does.
- The initial term of the Group's Mining Licence over the orebody will expire in 2029. Under the terms of the Mineral Licensing Contact (MLC) the Group can apply for an extension of 15 years to 2044. Under the terms of the MLC, the Group can apply for subsequent extensions post-2044 provided the life of the Mine allows and subject to the same conditions as the first renewal. Since the Group signed its MLC in 2002 with the Government of Mozambique under Mining Law 2/86, mining law has been amended on a number of occasions. However, the various amended mining legislation contain grandfathering provisions that confirm the ongoing validity of the mining contracts that were entered into with the Government of Mozambique, before the entry in to force of the amended legislation. The grandfathering provisions provide for an opt in or opt out regime for companies that signed contracts under an earlier legal regime; the Group has not exercised the right to move to either Mining Law 14/2002 or Mining Law 20/2014 and, as a result, the Group continues to be regulated by the legislation in force at the time of the signature of the MLC.

The mine plan is based on the Namalope, Nataka, Pilivili and Mualadi proved and probable Ore Reserves and Mineral Resources. Specific Mineral Resource material is included only where there is a high degree of confidence in its economic extraction. The value in use methodology has changed from using a life of mine discounted cashflow to using the next five years cashflows and then using year five as a basis for the remaining 35 year to align with the 40 year life of mine assumption.. Average annual production is approximately 1.2 million tonnes over the next five years with 1.3 million tonnes from 2029 onwards. Certain minimum stocks of final and intermediate products are assumed to be maintained at period ends.

- Product sales prices are based on contract prices as stipulated in marketing agreements with customers, or where contracts are based on market prices or production is not currently contracted, prices are forecast by the Group taking into account independent titanium mineral sands expertise provided by TiPMC Solutions and management expectations including general inflation of 2% per annum. Forecast prices provided by TiPMC Solutions have been reviewed and found to be consistent with other external sources of information. Average forecast product sales prices have increased over the life of mine from the prior year-end review as a result of revised forecast pricing. A 2.3% reduction in average sales prices over the life of mine reduces the recoverable amount by \$83.0 million to \$nil, assuming all other inputs remain unchanged.
- Operating costs are based on approved budget costs for 2025 taking into account the current running costs of the Mine and estimated forecast inflation for 2025. From 2026 onwards, operating costs are escalated by 2% per annum as management expects inflation to normalise and average 2% over the life of mine period. Average forecast operating costs have increased from the prior year-end review. A 4.4% increase in operating costs over the life of mine reduces the recoverable amount by \$83.0 million to \$nil, assuming all other inputs remain unchanged.
- Capital costs are based on a life of mine capital plan including inflation at 2% per annum from 2026. Average forecast capital costs have increased, and their scheduling has changed from the prior year-end review based on updated sustaining and development capital plans required to maintain the existing plant over the life of mine. A 12.7% increase in capital costs over the life of mine reduces the recoverable amount by \$83.0 million to \$nil, assuming all other inputs remain unchanged.

- The Board and management have set a medium-term decarbonisation target of 30% reduction by 2030 from a 2021 baseline. Kenmare will maintain its aim to achieve net zero for its operational (Scope 1 & 2) emissions by 2040, also from a 2021 baseline and will continue to work to achieve a higher decarbonisation rate. Management have included the costs of implementing the Climate Transition Plan (2025 to 2030) into the cashflow forecasts. CTP specific costs total \$8.0 million over the period 2025 to 2030. A change in these costs (for overruns or required additional projects to meet targets) are not anticipated to have a material impact on the forecast cashflows. The balance of spend on the move of WCP A to Nataka is included in the capital forecasts. As noted above a 12.7% increase in capital costs over the life of the Mine reduces the recoverable amount by \$83.0 million to nil, assuming all other inputs remain unchanged. No savings associated with the Company's ambition to become net zero have been factored into the forecast.

9. Right-of-use assets and lease liabilities

	LAND AND BUILDINGS \$'000	TOTAL \$'000
Cost		
At 1 January 2024	2,590	2,590
Additions	–	–
Disposals	–	–
At 31 December 2024	2,590	2,590
Accumulated Depreciation		
At 1 January 2024	1,222	1,222
Depreciation expense	273	273
Disposals	–	–
At 31 December 2024	1,495	1,495
Carrying amount		
At 31 December 2024	1,095	1,095
At 31 December 2023	1,368	1,368

The Group recognised a lease liability of \$1.7 million in respect of the rental of its Irish head office. The lease has a term of 10 years commencing August 2017 and rental payments are fixed to the end of the lease term. This lease obligation is denominated in Euros.

The Group recognised a lease liability of \$0.4 million in respect of its Mozambican country office in Maputo. The lease has a term of 10 years to December 2032. This lease obligation is denominated in US Dollars.

At each reporting date, the Company assesses whether there is any indication that right-of-use assets may be impaired. No impairment indicators were identified as at 31 December 2024 or 31 December 2023.

The Group has recognised a rental expense of \$11.9 million (2023: \$12.4 million) in relation to short term leases of machinery and vehicles which have not been recognised as a right-of-use asset.

Set out below are the carrying amounts of lease liabilities at each reporting date:

	2024 \$'000	2023 \$'000
Current	285	264
Non-current	971	1,256
Total	1,256	1,520

The consolidated income statement includes the following amounts relating to leases:

	2024 \$'000	2023 \$'000
Depreciation expense	273	240
Interest expense on lease liabilities	126	112
Total	399	352

	2024 \$'000	2023 \$'000
Reconciliation of movements of lease liabilities to cash flows arising from financing activities		
Lease liabilities		
Balance at 1 January	1,520	1,785
Cash movements		
Lease interest paid	(126)	(112)
Principal paid	(264)	(265)
Non-cash movements		
Lease interest accrued	126	112
Balance at 31 December	1,256	1,520

10. Inventories

	2024 \$'000	2023 \$'000
Mineral products	70,795	58,405
Consumable spares	42,001	40,852
	112,796	99,257

At 31 December 2024, total final product stock was 287,200 tonnes (2023: 259,100 tonnes). Closing stock of Heavy Mineral Concentrate was 14,100 tonnes (2023: 16,700 tonnes).

Net realisable value is determined with reference to forecast prices of finished products expected to be achieved. There is no guarantee that these prices will be achieved in the future, particularly in weak product markets. During the financial year, there was a write-down of \$0.2 million (2023: \$nil) to mineral products charged to cost of sales to value mineral products at net realisable value.

11. Trade and other receivables

	2024 \$'000	2023 \$'000
Trade receivables	91,451	127,442
VAT receivable	6,410	6,377
Prepayments	21,633	19,831
	119,494	153,650

Further details on trade receivables can be found in Note 18.

12. Cash and cash equivalents

	2024 \$'000	2023 \$'000
Bank balances	56,683	71,048

Cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Where investments are categorised as cash equivalents, the related balances have a maturity of three months or less from the date of investment.

13. Called-up share capital

	2024 €'000	2023 €'000
Authorised share capital		
181,000,000 ordinary shares of €0.001 each	181	181
	181	181

	2024 \$'000	2023 \$'000
Allotted, called-up and fully paid		
Opening balance		
89,228,161 (2023: 94,829,551) ordinary shares of €0.001 each	97	104
Acquired and cancelled		
Nil (2023: 5,601,390) ordinary shares of €0.001 each	-	(7)
Closing balance		
89,228,161 (2023: 89,228,161) ordinary shares of €0.001 each	97	97
Total called-up share capital	97	97

No ordinary shares were issued during the year (2023: \$nil).

On 11 September 2023, a total of 5,601,390 shares were purchased under the Tender Offer, representing 5.9% of the Company's issued ordinary share capital. The shares were purchased at the Tender Price of £4.22 per share and, at this price, the total value of all

shares purchased was £23.6 million (circa \$30 million). Transaction costs associated with the transaction amounted to US\$0.6 million and were accounted for as a deduction from net retained earnings.

14. Bank loans

	2024 \$'000	2023 \$'000
Borrowings	77,991	47,873
The borrowings are repayable as follows:		
Less than one year	-	33,087
Between two and five years	80,417	15,712
	80,417	48,799
Transaction costs	(2,426)	(926)
Total carrying amount	77,991	47,873

Borrowings

On 4 March 2024, the Group entered into a secured senior debt facility agreement ("Senior Facility Agreement") with Absa Bank Limited (acting through its Corporate and Investment Banking Division) ("Absa"), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) ("Nedbank"), Rand Merchant Bank and Standard Bank Group ("Standard Bank").

The Senior Facility Agreement provides the Group with a \$200 million Revolving Credit Facility. The finance documentation also provides for a Mine Closure Guarantee Facility (provided by either the existing lenders or other finance providers) of up to \$50 million, with the provider(s) of such a facility sharing in the common security package.

The Revolving Credit Facility has a maturity date of 4 March 2029. Interest is at SOFR plus 4.85% per annum. The Revolving Credit Facility can be repaid or drawdown at any stage throughout the term of the loan.

The security package consists of (a) security over the Group's bank accounts (subject to certain exceptions), (b) pledges of the shares of Kenmare Moma Processing (Mauritius) Limited and Kenmare Moma Mining (Mauritius) Limited (the "Project Companies"), and (c) security over intercompany loans.

The carrying amount of the secured bank accounts of the Group was \$56.3 million as at 31 December 2024 (2023: \$70.9 million). The shares of the Project Companies and intercompany loans are not included in the consolidated statement of financial position as they are eliminated on consolidation. They therefore do not have a carrying amount but, upon enforcement of the pledges on behalf of the lender group, the shares in the Project Companies would cease to be owned or controlled by the Group. The secured agreements do not have a nominal amount.

The Group entered into a mine closure guarantee facility with Standard Bank SA effective from 1 July 2024 for an amount of \$33.0 million. This guarantee shares the security package with the Revolving Credit Facility on a pro rata and pari passu basis.

	2024 \$'000	2023 \$'000
Reconciliation of movements of debt to cash flows arising from financing activities		
Bank loans		
Balance at 1 January	47,873	78,578
Cash movements		
RCF drawdown	131,370	-
Loan interest paid – Term Loan	(2,694)	(7,211)
Loan interest paid – RCF	(2,396)	-
Principal paid – Term Loan	(47,142)	(31,429)
Principal paid - RCF	(51,370)	-
Transaction costs paid	(2,911)	-
Non-cash movements		
Loan interest accrued – Term Loan	1,050	7,935
Loan interest accrued – RCF	2,813	-
Transaction costs amortised	1,398	-
Balance at 31 December	77,991	47,873

Loan interest paid excludes lease liability interest as it is detailed for in Note 9.

Covenants

The finance documents contain a number of representations, covenants and events of default on customary terms, the breach of which could lead to the secured parties under the finance documentation accelerating the outstanding loans and taking other enforcement steps, such as the enforcement of some or all of the security interests, which could lead to, in extremis, the Group losing its interest in the Mine. The most salient of the relevant terms that could lead to acceleration of the loans and/or enforcement of security relate to the effectiveness of key governmental licences and agreement (including the Implementation Agreement) and the financial covenants.

All covenants have been complied with during the year. The key financial covenants are detailed below:

	AS AT 31 DECEMBER 2024		COVENANT
Interest Coverage Ratio	17.2	Not less than	4.00:1
Net Debt to EBITDA	0.15	Not greater than	2.00:1
Liquidity	\$176,700,000	Not less than	\$25,000,000

The definition of the covenants under the debt facilities are set out below:

- Interest Coverage Ratio is defined as the ratio of EBITDA to Net Interest Cost.
- Net Debt is defined as total financial indebtedness excluding leases less consolidated cash and cash equivalents.
- Liquidity is defined as consolidated cash and cash equivalents plus undrawn amounts of the Revolving Credit Facility.

15. Provisions

	2024 \$'000	2023 \$'000
Mine closure provision	14,275	17,540
Mine rehabilitation provision	6,958	5,462
	21,233	23,002
Current	1,226	2,125
Non-current	20,007	20,877
	21,233	23,002

	MINE CLOSURE PROVISION \$'000	MINE REHABILITATION PROVISION \$'000	TOTAL \$'000
At 1 January 2023	16,623	4,121	20,744
Increase in provision during the financial year	241	1,720	1,961
Provision utilised during the financial year	–	(379)	(379)
Unwinding of the discount	676	–	676
At 1 January 2024	17,540	5,462	23,002
(Decrease)/increase in provision during the financial year	(3,985)	3,718	(267)
Provision utilised during the financial year	–	(2,222)	(2,222)
Unwinding of the discount	720	–	720
At 31 December 2024	14,275	6,958	21,233

The Mine closure provision represents the Directors' best estimate of the Project Companies' liability for close-down, dismantling and restoration of the mining and processing site. A corresponding amount equal to the provision is recognised as part of property, plant and equipment. The costs are estimated on the basis of a formal closure plan, are subject to regular review and are estimated based on the net present value of estimated future costs. Mine closure costs are a normal consequence of mining, and the majority of close-down and restoration expenditure is incurred at the end of the life of the Mine. The unwinding of the discount is recognised as a finance cost and \$0.7 million (2023: \$0.7 million) has been recognised in the statement of comprehensive income for the financial year.

The main assumptions used in the calculation of the estimated future costs include:

- a discount rate of 4.8% (2023: 4.0%);
- an inflation rate of 2% (2023: 2%);
- an estimated life of mine of 40 years (2023: 40 years). It is assumed that all licences and permits required to operate will be renewed or extended during the life of mine; and
- an estimated closure cost of \$38.8 million (2023: \$36.8 million) and an estimated post-closure monitoring provision of \$2.6 million (2023: \$2.6 million).

As of December 2024, the mine closure provision has been discounted using a rate of 4.8%. This discount rate is based on the US Treasury 30-year bond yield, which serves as a benchmark for long-term, risk-free rates, with adjustments to reflect the Company's specific risk profile.

The inflation rate applied to estimate future closure costs is based on projected US inflation rates. This approach ensures that cost estimates remain aligned with expected economic conditions over the closure period, providing a realistic assessment of future obligations.

The life of mine plan is based on the Namalope, Nataka, Pilivili and Mualadi Ore Reserves and Mineral Resources. Specific Mineral Resource material is included only where there is a high degree of confidence in its economic extraction.

The discount rate is a significant factor in determining the Mine closure provision. A 1% increase in the estimated discount rate results in the Mine closure provision decreasing by \$4.5 million (2023: \$2.5 million). A 1% decrease in the estimated discount rate results in the Mine closure provision increasing by \$6.7 million (2023: \$4.3 million).

The Mine rehabilitation provision represents the Directors' best estimate of the Company's liability for rehabilitating areas disturbed by mining activities. Rehabilitation costs are recognised based on the area disturbed and estimated cost of rehabilitation per hectare, which is reviewed regularly against actual rehabilitation cost per hectare. Actual rehabilitation expenditure is incurred approximately 12 months after the area has been disturbed. During the financial year, there was a release of \$2.2 million (2023: \$0.4 million) to reflect the actual mine rehabilitation costs incurred, and an addition to the provision of \$3.7 million (2023: \$1.7 million) for areas newly disturbed.

16. Trade and other payables

	2024 \$'000	2023 \$'000
Trade payables	13,480	6,510
Deferred income	2,415	2,752
Accruals	31,860	29,302
	47,755	38,564

Included in accruals at the financial year end is an amount of \$2.5 million (2023: \$1.4 million) for payroll and social insurance taxes.

Deferred income relates to sales contracts which contain separate performance obligations for the sale of mineral products and the provision of freight services. The portion of the revenue representing the obligation to perform the freight service is deferred and recognised over time as the obligation is fulfilled, along with the associated costs.

17. Current tax (asset) / liabilities

	2024 \$'000	2023 \$'000
Current tax (asset) / liabilities	(1,278)	6,921

The Group has made advanced preliminary tax payments on its estimated 2024 tax liability to both the Irish Revenue and Mozambican Tax Authority at the year end. Refer to Note 6 for further information on the Group's tax expense.

18. Financial instruments

	2024		2023		
	CARRYING AMOUNT \$'000	FAIR VALUE \$'000	CARRYING AMOUNT \$'000	FAIR VALUE \$'000	
Financial assets at fair value through OCI					
Trade receivables ¹	28,148	28,148	110,534	110,534	Level 2
Financial assets not measured at fair value					
Trade receivables ²	65,060	65,060	16,908	16,908	Level 2
Cash and cash equivalents	56,683	56,683	71,048	71,048	Level 2
	149,891	149,891	198,490	198,490	
Financial liabilities not measured at fair value					
Bank loans	77,991	80,417	47,873	48,799	Level 2

¹ Relates to trade receivables which may be discounted through the Barclays' bank facility.

² Relates to trade receivables which will not be discounted or factored.

The carrying amounts and fair values of financial assets and financial liabilities including their levels in fair value hierarchy are detailed above. The table does not include fair value information for other receivables, prepayments, trade payables and accruals as these are not measured at fair value.

Trade receivables or letters of credit where it is not known at initial recognition if they will be factored are classified as fair value through other comprehensive income. Trade receivables which will not be factored and for which balances will be recovered under the sale contract credit terms are initially measured at fair value and subsequently measured at amortised cost.

In the case of factored receivables, the Group derecognises the discounted receivable to which the arrangement applies when payment is received from the bank as the terms of the arrangement are non-recourse. The payment to the bank by the Group's customers are considered non-cash transactions for the purposes of the consolidated statement of cashflows.

The valuation technique used in measuring Level 2 fair values is discounted cash flows, which considers the expected receipts or payments discounted using adjusted market discount rates or where these rates are not available estimated discount rates.

The Group has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

Risk management framework

The Board is ultimately responsible for risk management within the Group. It has delegated responsibility for the monitoring of the effectiveness of the Group's risk management and internal control systems to the Audit & Risk Committee. The Board and Audit & Risk Committee receive reports from executive management on the key risks to the business and the steps being taken to mitigate such risks. The Audit & Risk Committee is assisted in its role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit & Risk Committee.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

The Group's exposure to credit risk is influenced by the individual circumstances of each customer. The Group also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Before entering into sales contracts with new customers, the Group uses an external credit scoring system to assess the potential customer's credit quality. The credit quality of customers are reviewed regularly during the year and where appropriate credit limits or limits to the number of shipments which can be outstanding at any point are imposed.

The Group's customers have been transacting with the Group for a significant number of years, and no customers' balances have been written off or are credit impaired at the financial year end. In monitoring customer credit risk, customers are reviewed individually and the Group has not identified any factors that would merit reducing exposure to any particular customer. The Group does not require collateral in respect of trade receivables.

The gross exposure to credit risk for trade receivables by geographic region was as follows:

	2024 \$'000	2023 \$'000
Europe	38,831	34,150
USA	23,551	29,597
China	21,127	38,693
Asia (excluding China)	7,808	24,905
Africa	134	97
Total	91,451	127,442

At 31 December 2024, \$53.6 million (2023: \$63.8 million) is due from the Group's three largest customers.

A summary of the Group's exposure to credit risk for trade receivables is as follows:

	2024 \$'000	2023 \$'000
External credit ratings at least Baa3 (Moody's)	28,148	65,266
Other	65,060	63,756
Total gross carrying amount	93,208	129,022
Loss allowance	(1,757)	(1,580)
Total	91,451	127,442

The following table provides ageing information relevant to the exposure to credit risk for trade receivables from individual customers. No balances were considered credit impaired at 31 December 2024 or 31 December 2023.

	CURRENT \$'000	MORE THAN 30 DAYS PAST DUE \$'000	MORE THAN 60 DAYS PAST DUE \$'000	MORE THAN 90 DAYS PAST DUE \$'000	TOTAL \$'000
2024	91,451	-	-	-	91,451
2023	127,383	-	-	59	127,442

Expected credit loss assessment of trade receivables

For trade receivables measured at fair value through other comprehensive income and trade receivables measured at amortised cost, the Group allocates to each customer a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, financial statements and available market information about customers) and applying experienced credit judgement.

The following table provides information about the exposure to credit risk and expected credit losses as at 31 December 2024.

	WEIGHT AVERAGE LOSS RATE	GROSS CARRYING AMOUNT \$'000	IMPAIRMENT LOSS ALLOWANCE \$'000	CREDIT IMPAIRED
Equivalent to Moody's credit rating				
Other	2.7%	65,060	1,757	No

The following table provides information about the exposure to credit risk and expected credit losses as at 31 December 2023.

	WEIGHT AVERAGE LOSS RATE	GROSS CARRYING AMOUNT \$'000	IMPAIRMENT LOSS ALLOWANCE \$'000	CREDIT IMPAIRED
Equivalent to Moody's credit rating				
Other	2.5%	63,756	1,580	No

The movement in expected credit losses in respect of trade receivables measured at amortised cost or fair value through other comprehensive income during the year was as follows:

	2024 \$'000	2023 \$'000
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Balance at 1 January	1,580	1,534
Net remeasurement of loss allowance	177	46
Balance at 31 December	1,757	1,580

The credit risk on cash and cash equivalents is limited because funds are deposited with banks with high credit ratings assigned by international credit rating agencies. For deposits in excess of \$75 million the Group requires that the institution has an A- (S&P)/A3 (Moody's) long-term rating. For deposits in excess of \$50 million, the Group requires that the institution has a BB- (S&P)/Ba3 (Moody's) long-term rating. There were no individual deposits in excess of these amounts in 2024.

At 31 December 2024 and 2023 cash was deposited with the following banks:

	2024			2023		
	LONG-TERM CREDIT RATING			LONG-TERM CREDIT RATING		
	\$ MILLION	S&P	MOODY'S	\$ MILLION	S&P	MOODY'S
Barclays Bank plc	23.4	A+ / Stable	A1/ Stable	23.2	A+ / Stable	A1/ Stable
Absa Bank Mauritius Limited	10.2	-	Baa3	4.9	-	Ba
Standard Bank Mauritius Limited	10.0	-	Ba2	-	-	-
Nedbank Ltd	-	-	-	25.8	BB-	Ba2
FirstRand Bank Limited	-	-	-	10.1	BB-	Ba2

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled in cash payments. The Group's objective when managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due.

The Group monitors mine payment forecasts, both operating and capital, which assist it in monitoring cash flow requirements and optimising its cash return on investments. The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities. The Group monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade and other payables.

The Group has a trade facility with Barclays Bank for customers which it sells to under letter of credit terms. Under this facility, Barclays Bank confirms the letter of credit from the issuing bank and therefore assumes the credit risk. Barclays Bank may also discount these letters of credit thereby providing early payment of receivables to the Group. There is no limit under the Barclays Bank facility. During the period, trade receivables of \$154 million (2023: \$10.9 million) were discounted under this facility. At the year end, there were \$28.1 million (2023: \$65.2 million) of trade receivables which can be discounted under this facility. The cost of this facility for the period, which amounted to \$2.6 million (2023: \$1.5 million), is included in finance costs in the statement of comprehensive income and in net cash from operating activities in the statement of consolidated cash flows.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2024 based on the gross contractual undiscounted payments:

	TOTAL \$'000	BETWEEN		
		LESS THAN ONE YEAR \$'000	TWO AND FIVE YEARS \$'000	MORE THAN FIVE YEARS \$'000
Financial liabilities				
Bank loans	80,417	-	80,417	-
Lease liabilities	1,629	390	899	340
Trade and other payables	47,755	47,755	-	-
	129,801	48,145	81,316	340

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2023 based on the gross contractual undiscounted payments:

	TOTAL \$'000	BETWEEN		
		LESS THAN ONE YEAR \$'000	TWO AND FIVE YEARS \$'000	MORE THAN FIVE YEARS \$'000
Financial liabilities				
Bank loans	48,799	33,087	15,712	-
Lease liabilities	2,019	390	1,173	456
Trade and other payables	38,564	38,564	-	-
	89,382	72,041	16,885	456

As disclosed in Note 14, the Group has bank loans that contain loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table. Under the loan agreement, the covenants are monitored on a regular basis by Group finance and regularly reported to management and the lenders to ensure compliance with the agreement. All covenants have been complied with during the year.

Risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Details of concentration of revenue are included in Note 2.

Market risk

Market risk is risk that changes in market prices, foreign exchange rates and interest rates will affect the Group's income statement. The objective of market risk management is to manage and control market risk exposures while optimising returns.

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of all Group entities is US Dollars. The presentational currency of the Group is US Dollars. Sales and bank loans are denominated in US Dollars, which significantly reduces the exposure of the Group to foreign currency risk. Payable transactions are denominated in Mozambican Metical, South African Rand, Euro, Sterling, Australian Dollar and Renminbi.

During the year the Group entered into an agreement with Absa Bank Mauritius Ltd for the purchase and sale of US Dollars and South African Rand and the purchase of Mozambican Metical. The limit on the facility is \$24 million and the maximum tenor is three months. The Group also entered into an agreement with Standard Bank Mauritius Ltd for the purchase of South African Rand. The limit on the facility is approximately \$12.0 million and the maximum tenor is six months. There were forward contracts to purchase \$25 million (2023: \$Nil) South African Rand in place at the period end.

Exposure to currency risk

The Group's gross exposure to currency risk as at 31 December 2024 is as follows.

	MOZAMBIKAN METICAL \$'000	SOUTH AFRICAN RAND \$'000	EURO \$'000	STERLING \$'000	AUSTRALIAN DOLLAR \$'000	RENMINBI \$'000
Trade and other receivables	8,067	1,405	1,349	15	335	-
Cash and cash equivalents	5,152	1,010	945	95	2	28
Bank loans	-	-	-	-	-	-
Leases	-	-	971	-	-	-
Trade and other payables	25,429	5,059	77	-	74	-
Net exposure	38,648	7,474	3,342	110	411	28

The Group's exposure to currency risk as at 31 December 2023 is as follows.

	MOZAMBIKAN METICAL \$'000	SOUTH AFRICAN RAND \$'000	EURO \$'000	STERLING \$'000	AUSTRALIAN DOLLAR \$'000	RENMINBI \$'000
Trade and other receivables	12,956	1,712	338	395	156	-
Cash and cash equivalents	5,371	9,296	571	499	3	17
Bank loans	-	-	-	-	-	-
Leases	-	-	(1,255)	-	-	-
Trade and other payables	(12,919)	(1,741)	(296)	-	-	-
Net exposure	5,408	9,267	(642)	894	159	17

Sensitivity analysis

A reasonably possible strengthening or weakening of the Mozambique Metical, South African Rand, Euro, Sterling, Australian Dollar and Renminbi by 10% against the US Dollar would have affected profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant.

	MOZAMBIKAN METICAL \$'000	SOUTH AFRICAN RAND \$'000	EURO \$'000	STERLING \$'000	AUSTRALIAN DOLLAR \$'000	RENMINBI \$'000
Profit or loss						
31 December 2024						
Strengthening	3,864	747	334	11	41	3
Weakening	(3,864)	(747)	(334)	(11)	(41)	(3)
31 December 2023						
Strengthening	540	927	(64)	89	16	2
Weakening	(540)	(927)	64	(89)	(16)	(2)

Interest rate risk

The loan facilities are arranged at variable rates and expose the Group to cash flow interest rate risk. Variable rates are based on one, three or six-month SOFR. The borrowing rate at financial year end was 9.63% (2023: 11.3%). The interest rate profile of the Group's loan balances at the financial year end was as follows:

	2024	2023
	\$'000	\$'000
Variable rate debt	77,991	48,799

Under the assumption that all other variables remain constant, a reasonable possible change of 1% in the SOFR rate results in a \$0.8 million (2023: \$0.5 million) change in finance costs for the financial year.

The above sensitivity analyses are estimates of the impact of market risks assuming the specified change occurs. Actual results in the future may differ materially from these results due to developments in the global financial markets, which may cause fluctuations in interest rates to vary from the assumptions made above and therefore should not be considered a projection of likely future events.

19. Contingent Liabilities

In 2023 a case was brought by a transport service provider against Kenmare Moma Mining (Mauritius) Limited Mozambique Branch and Kenmare Moma Processing (Mauritius) Limited Mozambique Branch for alleged breach of contract. On 10 February 2025 the High Court of Appeal of Nampula ruled against Kenmare in relation to the case for an amount of \$4.6 million (Metical 288.7 million). Kenmare has submitted an appeal to the Supreme Court of Maputo. No provision has been made in these financial statements for the ruling as the Company does not consider that there is any future probable loss.

20. Events after the statement of financial position date**Proposed dividend**

On 25 March 2025, the Board proposed a final dividend of US\$17.00 per share. This proposed dividend is subject to approval by the shareholders at the Annual General Meeting. These financial statements do not reflect this dividend.

GLOSSARY – ALTERNATIVE PERFORMANCE MEASURES

Certain financial measures set out in the Annual Report to 31 December 2024 are not defined under International Financial Reporting Standards, but represent additional measures used by the Board to assess performance and for reporting both internally and to shareholders and other external users. Presentation of these Alternative Performance Measures (APMs) provides useful supplemental information which, when viewed in conjunction with the Group's IFRS financial information, allows for a more meaningful understanding of the underlying financial and operating performance of the Group.

These non-IFRS measures should not be considered as an alternative to financial measures as defined under IFRS. Descriptions of the APMs included in this report, as well as their relevance for the Group, are disclosed below.

APM	DESCRIPTION	RELEVANCE
EBITDA	Operating profit/loss before depreciation and amortisation	Eliminates the effects of financing, tax and depreciation to allow assessment of the earnings and performance of the Group
EBITDA margin	Percentage of EBITDA to Mineral Product Revenue	Provides a group margin for the earnings and performance of the Group
Capital costs	Additions to property, plant and equipment in the period	Provides the amount spent by the Group on additions to property, plant and equipment in the period
Cash operating cost per tonne of finished product produced	Total costs less freight and other non-cash costs, including depreciation and inventory movements divided by final product production (tonnes)	Eliminates the non-cash impact on costs to identify the actual cash outlay for production and, as production levels increase or decrease, highlights operational performance by providing a comparable cash cost per tonne of product produced over time
Cash operating cost per tonne of ilmenite net of co-products	Cash operating costs less revenue of zircon, rutile and concentrates, divided by ilmenite production (tonnes)	Eliminates the non-cash impact on costs to identify the actual cash outlay for production and, as production levels increase or decrease, highlights operational performance by providing a comparable cash cost per tonne of ilmenite produced over time
Net cash/debt	Bank loans before transaction costs, loan amendment fees and expenses plus lease liabilities net of cash and cash equivalents	Measures the amount the Group would have to raise through refinancing, asset sale or equity issue if its debt were to fall due immediately, and aids in developing an understanding of the leveraging of the Group
ROCE	Return on capital employed	ROCE measures how efficiently the Group generates profits from investment in its portfolio of assets.
Shareholder returns	Dividends and share buy backs	Shareholder returns comprise the interim dividend, the proposed final dividend to be approved by shareholders at the AGM and any share buy-backs

EBITDA

	2020 \$M	2021 \$M	2022 \$M	2023 \$M	2024 \$M
Operating profit	33.4	151.1	233.4	155.1	89.2
Depreciation	42.3	63.1	64.6	65.2	67.9
EBITDA	75.7	214.2	298.0	220.3	157.1

EBITDA margin

	2020 \$M	2021 \$M	2022 \$'M	2023 \$'M	2024 \$'M
EBITDA	75.7	214.2	298.0	220.3	157.1
Mineral Product Revenue	231.5	420.5	498.4	437.1	392.1
EBITDA margin (%)	33%	51%	60%	50%	40%

Cash operating cost per tonne of finished product

	2020 \$M	2021 \$M	2022 \$M	2023 \$M	2024 \$M
Cost of sales	192.3	295.0	282.7	294.9	319.4
Administrative expenses	18.1	9.8	9.9	8.4	6.2
Total operating costs	210.4	304.8	292.6	303.3	325.6
Freight	(12.2)	(35.4)	(27.6)	(21.4)	(22.7)
Total operating costs less freight	198.2	267.5	265.0	281.9	302.9
Non-cash costs					
Depreciation and amortisation	(42.3)	(63.1)	(64.6)	(65.2)	(67.9)
Expected credit losses	-	(0.2)	(1.1)	-	(0.2)
Share-based payments	(0.5)	(1.1)	(2.2)	(3.3)	(3.6)
Mineral product inventory movements	4.9	(9.3)	21.6	14.7	12.4
Total cash operating costs	160.3	195.7	218.7	228.1	243.6
Final product production tonnes	840,500	1,228,500	1,200,800	1,091,500	1,112,300
Cash operating cost per tonne of finished product	\$191	\$159	\$182	\$209	\$219

Cash operating cost per tonne of ilmenite

	2020 \$'M	2021 \$'M	2022 \$'M	2023 \$'M	2024 \$'M
Total cash operating costs	160.3	195.7	218.7	228.1	243.6
Less revenue from co-products zircon, rutile and concentrate	(63.2)	(85.8)	(150.9)	(122.0)	(100.4)
Total cash costs less co-product revenue	97.1	109.9	67.8	106.1	143.2
Ilmenite product production tonnes	756,000	1,119,400	1,088,300	986,300	1,008,900
Cash operating cost per tonne of ilmenite	\$128	\$98	\$62	\$108	\$142

Net cash/debt

	2020 \$'M	2021 \$'M	2022 \$'M	2023 \$'M	2024 \$'M
Bank debt	(145.8)	(148.1)	(78.6)	(47.9)	(78.0)
Transaction costs	(5.4)	(3.8)	(2.2)	(0.9)	(2.4)
Gross debt	(151.2)	(151.9)	(80.8)	(48.8)	(80.4)
Lease liabilities	(3.4)	(2.2)	(1.8)	(1.5)	(1.3)
Cash and cash equivalents	87.2	69.1	108.3	71.0	56.7
Net cash/(debt)	(67.4)	(85.0)	25.7	20.7	(25.0)

Return on Capital Employed

	RESTATED \$'M	RESTATED \$'M	2022 \$'M	2023 \$'M	2024 \$'M
Operating profit	33.4	151.1	233.4	155.1	89.2
Total Equity and Non-Current Liabilities	1,087.5	1,045.4	1,170.4	1,180.9	1,260.1
ROCE	3%	15%	20%	13%	7%

GLOSSARY – TERMS

TERM	DESCRIPTION
AIFR	All Injury Frequency Rate. Provides the number of injuries at the Mine in the year, per 200,000 hours worked.
AGM	Annual General Meeting
CIF	The seller satisfies its obligation to deliver the goods when the goods are placed on board the ship in the port of shipment. Seller must pay the cost and freight necessary to bring goods to named port of destination. Risk of loss and damage are the same as CFR. Seller also has to procure marine insurance against buyer's risk of loss/damage during the carriage. Seller must clear the goods for export. This term can only be used for sea transport.
CFR	This term means the seller satisfies its obligation to deliver the goods when the goods are placed on board the ship in port of shipment. Seller must pay the costs and freight necessary to bring the goods to the named port of destination, but the risks of loss or damage, as well as any additional costs due to events occurring after the time of delivery, are transferred from seller to buyer. Seller must clear goods for export. This term can only be used for sea transport.
The Company or Parent Company	Kenmare Resources plc.
DFS	Definitive Feasibility Studies are the most detailed and will determine definitively whether to proceed with the project. A Definitive Feasibility Study will be the basis for capital appropriation, and will provide the budget figures for the project. Detailed Feasibility Studies require a significant amount of formal engineering work and are accurate to within approximately 10–15%.
EdM	Electricidade de Moçambique.
EGM	Extraordinary General Meeting
FOB	Free on Board means that the seller satisfies its obligation to deliver the goods when the goods are placed on board the ship at the named port of shipment. This means the buyer has to bear all costs and risks to the goods from that point. The seller must clear the goods for export. This term can only be used for sea transport.
Free Cash Flow	Free Cash Flow is the cash generated by the Group in a reporting period before distributions to shareholders.
Gender diversity	Percentage of women in the workforce at the Moma Mine.
GHG emissions	Scope 1 & 2 Greenhouse Gas emissions. The Group acknowledges the human contribution to climate change and aim to reduce emissions its already low carbon intensity operations.
GISTM	Global Industry Standard of Tailings Management
Group or Kenmare	Kenmare Resources plc and its subsidiary undertakings.
HMC	Heavy Mineral Concentrate extracted from mineral sands deposits and which include ilmenite, zircon, rutile and other heavy minerals and silica.
Implementation Agreement	The agreement for the Moma Heavy Mineral Sands Industrial Free Zone Project between Kenmare Moma Processing Limited (a company incorporated in Jersey whose rights and interests were transferred to KMPL in November 2002), a wholly owned subsidiary of Kenmare, and Mozambique dated 21 January 2002.
KMAC	Kenmare Moma Development Association
KMML	Kenmare Moma Mining (Mauritius) Limited
KMML Mozambique Branch	Mozambique branch of KMML
KMPL	Kenmare Moma Processing (Mauritius) Limited
KMPL Mozambique Branch	Mozambique branch of KMPL.
KRSP	Kenmare Resources plc Restricted Share Plan
Lenders	Absa Bank Limited (acting through its Corporate and Investment Banking Division) ("Absa"), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) ("Nedbank"), Rand Merchant Bank and Standard Bank Group ("Standard Bank").
LTI	Lost Time Injury. Measures the number of injuries at the mine that result in an employee not able to attend his next shift.
LTIFR	Lost Time injury Frequency Rate. Measures the number of injuries causing lost time per 200,000 man hours worked on site
Marketing – finished products shipped	Finished products shipped to customers during the period. Provides a measure of finished products shipped to customers
Mining – HMC produced	Heavy Mineral Concentrate extracted from mineral sands deposits and which includes ilmenite, zircon, rutile, concentrates and other heavy minerals and silica. Provides a measure of Heavy Mineral Concentrate extracted from the Mine
Moma, Moma Mine, the Mine or Site	The Moma Titanium Minerals Mine consisting of a heavy mineral sands mine, processing facilities and associated infrastructure, which is located in the north east coast of Mozambique under licence to the Project Companies.
Mine Closure Guarantee Facility	\$33 million mine closure guarantee facility between the Group and Standard Bank SA effective from 1 July 2024.
MSP	Mineral Separation Plant.

Mtpa	Million tonnes per annum.
NOSA	National Occupational Safety Association
OIA	Oman Investment Authority formerly the State General Reserve Fund of the Sultanate of Oman.
Odd lot offer	The offer made by the Company to members in the UK and Ireland who held certificated holdings of less than 200 ordinary shares as described in the circular to shareholders dated 21 April 2022.
Ordinary Shares	Ordinary shares of €0.001 each in the capital of the Company.
PFS	A Feasibility Study is an evaluation of a proposed mining project to determine whether the mineral resource can be mined economically. Pre-Feasibility Study is used to determine whether to proceed with a detailed feasibility study and to determine areas within the project that require more attention. Pre-Feasibility Studies are done by factoring known unit costs and by estimating gross dimensions or quantities once conceptual or preliminary engineering and mine design has been completed.
Processing – finished products produced	Finished products produced by the mineral separation process. Provides a measure of finished products produced from the processing plants
Project Companies	KMML and KMPL, being wholly owned subsidiary undertakings of Kenmare Resources plc, which are incorporated in Mauritius.
Revolving Credit Facility	\$200 million Revolving Credit Facility made available under the Senior Facilities Agreement dated 4 March 2024 between the Lenders, the Lenders' agents, KMML Mozambique Branch and KMPL Mozambique Branch as borrowers, and the Company, Kenmare C.I. Limited and Congolone Heavy Minerals Limited.
RUPS	Rotary Uninterruptible Power Supply
TCFD	Task Force on Climate Related Financial Disclosures
Tender Offer	The invitation by the Company to eligible shareholders to tender Ordinary Shares for purchase on-market by Peel Hunt LLP on the terms and subject to the conditions set out in the circular dated 15 August 2023.
THM	Total Heavy Minerals in the ore of which ilmenite (typically 82%), rutile (typically 2.0%) and zircon (typically 5.5%) total approximately 90%.
TSF	Tailings Storage Facility
UK	United Kingdom
WCP	Wet Concentrator Plant.
WCP A	The original WCP which started production in 2007.
WCP B	The second WCP which started production in 2013.
WCP C	The third WCP which started production in 2020.
WHIMS	Wet High Intensity Magnetic Separation Plant.